

Lowcountry Economic Diversification Plan

Prepared for:

Lowcountry Council of Governments (LCOG)

Prepared by:

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EXECUTIVE SUMMARY

Basile Baumann Prost & Associates, Inc. (BBP), working in association with InSite Consulting LLC Enwright Associates, Inc., and the South Carolina Lowcountry Council of Governments (LCOG), was retained to develop an Economic Diversification Plan for the four-county region.

This Economic Diversification plan was formulated to assist the four-county region to attract new businesses and target industries to aid in community growth, tax base diversification and quality of life enhancement, and lessen dependency on the three military installations in the region. This plan was formulated taking into consideration the region's economic development goals and objectives while being sensitive to resident concerns about the impact of these initiatives on the overall quality of life and community culture and identity.



This plan is structured as an executive style report. The plan contains five sections as outlined below with references to supporting appendices. The 23 supporting appendices are located at the end of the plan.

Section A: Foundation for Economic Diversification

Section B: Economic Diversification – Lowcountry Targets and Locations

Section C: Economic Diversification – Getting Organized and Started

Section D: Framework for New Economic Development

Section E: Implementation Plan

Appendices

Regional Strengths & Opportunities

The Lowcountry region has several regional strengths and opportunities on which it can build. As illustrated in this plan, the region has locational advantages and assets desired by businesses that require advanced logistics and accessible transport options. Building upon these regional strengths and opportunities will enhance economic growth, diversification and prosperity.

Citizens and business leaders have actively participated in the formulation of this plan. Because of this interaction and feedback, our strategies focus on maintaining the quality of life that Lowcountry residents desire while attracting new businesses in order to diversify the tax base and further economic development.

Regional Initiatives

The anticipated completion of the plan has already spurred notable actions in the Lowcountry region. Government, academic and business leaders in the Lowcountry are eagerly moving forward with several economic diversification efforts we have discussed with them and that are repeated throughout this plan, including:

- ✓ The University of South Carolina-Beaufort is considering a proposed Freight Logistics major research institute (Recommendation 2)
- ✓ The Foreign Trade Zone application process is underway in Colleton County (Recommendation 6)
- ✓ The Beaufort Regional Chamber of Commerce is working with organizations to enhance educational opportunities for healthcare/medical occupations in the area (Recommendation 8)
- ✓ Rezoning and annexation of key land parcels is anticipated near I-95 Exits 18 and 22 for industrial uses (Recommendation 10)

The eagerness of Lowcountry leaders to move forward with these and other recommendations outlined in the plan illustrates the region's commitment to future growth and economic diversification.

Implementation

The true value of any plan or strategy is found in its implementation. This is not to say that a plan is not a success unless every recommendation is put into action. Even within a relatively short time, economic, political and other conditions in the Lowcountry, the state, the US and the world will change in unforeseen ways that may make it difficult to fulfill all of the components of this plan.

Based on extensive research, BBP developed a series of recommendations to accomplish this plan. All recommendations offered in this report are both (1) sustainable, since they promote consistent and long-term economic growth, and (2) strategic, since they are tailored and coordinated to meet the region's long-term objectives.

The immediate emphasis of this plan will be on establishing the mechanisms and procedures that will enable the Lowcountry's key economic diversification goals to be met over the next few months and years.

The Economic Diversification Plan is structured in the following four sections:

Section A: Foundation for Economic Diversification

1. Lowcountry Today
2. Physical Attributes
3. Strengths, Weaknesses, Opportunities and Constraints
4. Economic Base Structure

5. Lowcountry Tomorrow

Section B: Economic Diversification: Lowcountry Targets and Locations

1. Candidate Identification
2. Economic Diversification Zones
3. Future Targets and Locations

Section C: Economic Diversification – Getting Organized and Started

1. Organization and Approach
2. Advocacy for Economic Diversification
3. Expansion of Existing Businesses

Section D: Framework for New Economic Development

1. Expand Regional Assets
2. Workforce Training & Education
3. Affordable Housing and Transportation
4. Incentives
5. Marketing

Section E: Implementation Plan

1. Initiatives
2. Preparing for Implementation
3. Recommendations
4. Special Issues

This plan also provides objectives and an outline of short-term and long-term strategies. Some of the major implementation recommendations outlined throughout the plan include the following:

- ✓ Adopt a four-prong transportation focus to pursue economic development (Recommendation 1)
- ✓ Promote distribution centers in the region (Recommendation 3)
- ✓ Explore the opportunity of attracting a film studio to the region (Recommendation 11)
- ✓ Create a single presence for regional economic development marketing and recruitment efforts (Recommendation 15)

Implementation of these key strategies are essential to the success of the Lowcountry region's economic development. Additional details, supporting data and timelines for implementation are provided throughout the plan.

Conclusion

The preparation of this plan has engaged many Lowcountry establishments – public officials, educators, private sector executives and the media. The region must continue to engage in a concerted economic development effort to expand its economy. The Lowcountry offers the locational advantages, talent and community support desired by target businesses. If these attributes are successfully built upon, the region will experience sustainable economic growth and prosperity at a higher wage level for its residents and workers.

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The Lowcountry's early economic success was based on raising and exporting valuable cash crops including rice, indigo, Sea Island cotton, and the mining of phosphate. It is sometimes forgotten that there are still raw materials available in the region that will be processed elsewhere and provide opportunities for economic development, including timber, tomatoes, cotton and seafood. See *Appendix G* for more details on the Lowcountry locational advantages.

Today the Lowcountry largely depends on the three military installations located in Beaufort County. These military installations

The map displays the coastal region of South Carolina. The four counties of interest are highlighted with different patterns: Hampton County (diagonal lines), Colleton County (cross-hatch), Jasper County (horizontal lines), and Beaufort County (vertical lines). Major towns such as Milledgeville, Statesburg, and Savannah are marked. The Savannah River is shown forming the border with Georgia to the west. The Atlantic Ocean is to the east, with Hilton Head Island and the Edisto River visible. A compass rose is located in the bottom left corner.

average weekly wage. Officials both in Lowcountry local governments and the state of South Carolina realize that a workforce educated and trained for both existing and prospective jobs will be major marketing advantage in attracting new businesses and institutions.

Population

The Lowcountry region has experienced unprecedented growth and change during the past twelve years. A great deal of quantitative information is available that both confirms and explains what has taken place. See *Appendix J* for a detailed market analysis of the Lowcountry region and *Appendix P – The People and the Economy of Lowcountry*.

In July 2004 the Lowcountry's population stood at 217,814. Beaufort County has the largest population of the four counties and its population is nearly three times the population of the next largest county (Colleton). The four counties continued to show growth from 2001 through 2004; however, population growth appears to be slowing compared to the previous decade.

The overall population of the Lowcountry region is also aging sharply. Along with unprecedented growth, especially in Beaufort and Jasper counties, has come an equally significant change in the composition of the region's population which has led to increased diversity. Formerly, and for many decades, the area population was almost entirely comprised of African-American and white residents, although there have been small Asian, Hispanic and Native American population segments living in the area for a number of years. As the 2000 Census and the 2002 Census estimates data show, a relatively large number of persons of Hispanic/Latin origin have moved into the region, especially to Beaufort and Jasper Counties, which has resulted in creation of a more diverse community.

Income

Incomes are distributed as unevenly as is growth in the Lowcountry. The total number of private sector jobs increased for all the counties except Hampton County from 2001-2004. Along with the increase in number of positions throughout the region over the past several years, there was also an increase in the average weekly wage was experienced.

Beaufort and Hampton Counties have maintained the highest average weekly wages from 2001-2004. However, despite the wage increase, wages in the Lowcountry are still below the average for South Carolina. Improving education and attracting new industries will increase average weekly wages and improve the quality of life for Lowcountry workers.

1.2 Key Labor Market Trends

South Carolina's Labor Market Information (SCLMI) division recently adopted a new methodology to determine unemployment rates for the counties, which takes into account commuting patterns and rates. An apparent trend, no matter what methodology is used, is

that Colleton and Hampton counties continue to have unemployment rates notably higher than the rest of the region, the state and US averages. Beaufort County's unemployment rate continues to be one of the lowest rates, and its rate is below the state and US averages.

Beaufort County provides employment for a great deal of the surrounding counties' work forces. For every Beaufort County resident that commutes out of the county to work, six out-of-county residents commute into Beaufort for employment. Much of this "in-commuting" is coming from the other three counties in the region.

1.3 Workforce Educational Training Support

Secondary Education

The Lowcountry region contains a number of both public and private secondary schooling options. These facilities cater to over 13,000 students within the four counties. Each county also has access to a career and technology center to foster specialized skills at the high school level. Beaufort-Jasper Academy of Career Excellence is located along the border between Beaufort and Jasper Counties, while the Thunderbolt Career Center is located in Colleton County.

Two career centers in the region provide programs for the area's youth. These centers specialize in the arts, crafts or trades that can be used to enter the work force and offer specific programs to students prior to them entering a post-secondary educational institution. The programs offered at each of these facilities are relatively similar and have been tailored for the region.

Post-Secondary Education

The colleges and universities within the four counties provide a diverse spectrum of programs that provide the student with either certificate, diploma, undergraduate or graduate degrees. All levels of post-secondary education can be obtained within the region. The table below lists the post-secondary educational institutions available to Lowcountry residents.



Public and Private Colleges & Universities

<i>Name of Institution</i>	<i>Type</i>
University of South Carolina Beaufort	State University—Associates and Bachelors degrees
University of South Carolina Salkehatchie	State University--Associates 4 year degrees
Webster University	Private. Graduate Degrees
Park University	Private. Associates & Bachelors Degrees
Embry-Riddle Aeronautical University	Private. Associates , Bachelor & Masters Degrees
Technical College of the Lowcountry (TCL)	State. Associates Degrees and Certificate Programs
Orangeburg-Calhoun Technical College*	State. Associates Degrees and Certificate Programs
Trident Technical College*	State. Associates Degrees and Certificate Programs

Source: SCIway.net LLC 2004

* Not in Lowcountry region but works cooperatively with TCL and Workforce Investment Area.

The Technical College of the Lowcountry provides programs and courses at all levels of study. It provides the basic technical college two-year diploma, career development work shops and continuing education programs, as well as a satellite campus for some of the southeast's four-year colleges. TCL also provides a number of programs geared towards high school students; if students have attained a predetermined level of success, they may apply to take in technical college level courses while in their senior year of high school.

TCL provide the region with a wide array of associate and certificate level programs and caters to the economic and industrial needs of the region. This institution provides local career-oriented education to the area's population; it provides programs that aid students in entering the workforce and institutions of higher learning.

The Lowcountry, especially Beaufort, is becoming a regional health care center through the further expansion of Beaufort Memorial Hospital and its partnership with Duke University in cancer and cardiac treatment. Combined with the opening of Coastal Carolina Medical Center and its immediate staff expansion, a definite and growing need exists for more health care employees. The priority now is to train and retain those staff members locally. TCL is responding by offering more health care programs at varying levels of educational attainment, and has recently increased the number of students entering the nursing program by 30%.



The educational opportunities now offered to military members creates spill over benefits to a growing number of civilians that otherwise would not be available to the region. Webster University is located at the Beaufort Naval Hospital and is geared to provide graduate level degrees to its students. Park University and Embry-Riddle Aeronautical University are located on MCAS Beaufort and provide diplomas and degrees to both military personal as well as the general public.

Although Orangeburg-Calhoun (O-C) Technical and Trident Technical are not located within the four counties, they both provide co-operative programs within the region. The Lowcountry Workforce Investment Act department works closely with O-C Technical and Trident Technical within their education and workforce development programs in the field of health care and industrial trucking.

Continuing Education

The local technical colleges also offer continuing educational programs geared towards those that are already in the work force or those that have been out of school for some time. Lately, officials in the southern areas of the Lowcountry region have focused much of their continuing education initiatives towards the health care sector. An example is the Allied Health Program that is provided by both the Technical College of the Lowcountry and Trident Technical College. Likewise, the Orangeburg-Calhoun Technical College offers a heavy trucking course that is also a popular field of study for residents in the northern areas of the region. It offers excellent network for which students can obtain internships to gain valuable experience before entering the workforce.

New Education Programs

New programs are currently being developed in the region to better assist the area's population to attain employment and advance to higher paying jobs. The goal is to fill current gaps in the workforce and to provide educational programs to the local population, and thus broaden the employment opportunities of the region.

Currently, additions to the Allied Health Care Programs are being designed to further enhance the diversity of health care specializations currently available in the region. The Technical College of the Lowcountry has cooperated with the Thunderbolt Career Center to include many of the programs provided by the Alliance Health Care Program to the high school students in Colleton County. Beaufort High School is in the process of developing a pilot program that will divide the secondary institution into four career-oriented "schools" that will include health sciences and technology. The objective is to introduce students to the fields they might wish to enter after graduation.

Currently TCL is designing work force development programs for the following fields: welding, masonry, fork lift operators and general safety. These programs should be implemented within the next two years to help meet local demand in the construction industry.

Another new program is the Culinary Arts course provided at Beaufort-Jasper Academy of Career Excellence. This program is geared to those that are already in the work force and have graduated high school who are looking for a new area of employment or for those already in the culinary arts who are looking to advance in the profession. Employment in the culinary arts is quite abundant in the Lowcountry due to the large number of tourism related establishments; however, tourism-related jobs typically do not pay wages at or above the state weekly average and are, therefore, not a focus of this plan.

The Lowcountry region's workforce is slowly experiencing an increase in wages and educational attainment with lower unemployment rates. However, wages are still below the state average and the region's workforce depends heavily on the existence of the Tri-Command military installations. No BRAC actions were recommended for the three military installations in the Lowcountry this year, but that is not to say future BRAC actions will not take place creating the risk of job loss and little economic growth and expansion.

As the purpose of this plan is to lessen the region's dependency on these three military installations and attract businesses that will create higher paying jobs and contribute to economic growth and diversification, the competitive skills of the regional workforce is of prime importance. The region is already promoting new educational and workforce initiatives in sync with the proposed economic diversification strategies that are outlined further in Sections C and D of this plan.

2. PHYSICAL ATTRIBUTES

2.1 Office, Industrial and Business Parks

Office Parks

According to LCOG officials, a minimal amount of office space exists in the Lowcountry. Most development in this field is medical-related or serves lawyers, real estate, insurance and title companies.

Care should be exercised regarding the need to promote more office/business parks in the Lowcountry region. As the need for secondary services in the community and the potential to attract business to serve this population increases, office space demand may rise. These services requiring office space may still include law, real estate and financial planning. Also, companies affiliated with multi-modal logistics operations many require “flex” office space (part office, part warehouse) to meet their operational needs.

Industrial & Business Parks

The four county region is home to 11 industrial/business parks as shown on the map on the following page. The 13 business tenants that occupy parks in the Lowcountry region include:

Industrial

- ◊ Minster Machine Co. – machining metal

Manufacturing

- ◊ CDR Pigments & Dispersions – paint and color manufacturing
- ◊ Parker Filtration Racor Division – oil filtration devices
- ◊ Dayco Industries – automotive v-belts
- ◊ Caronite International – custom fiberglass and plastic manufacturing
- ◊ Haven Homes – prefabricated homes
- ◊ Razor Industries – roof and truss manufacturing
- ◊ Silver Star Trailers – aluminum horse trailer manufacturing

Refining

- ◊ Hampton Gin – cotton gin manufacturing
- ◊ Carolina Soya – soy bean processing

Retail/Service

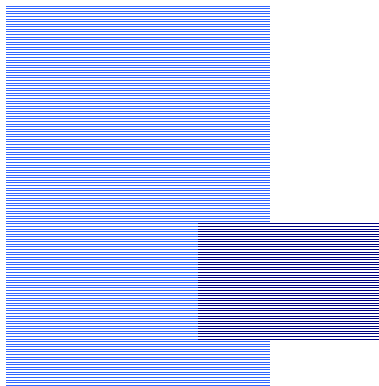
- ◊ John Deere dealership
- ◊ Caterpillar - heavy

Distribution

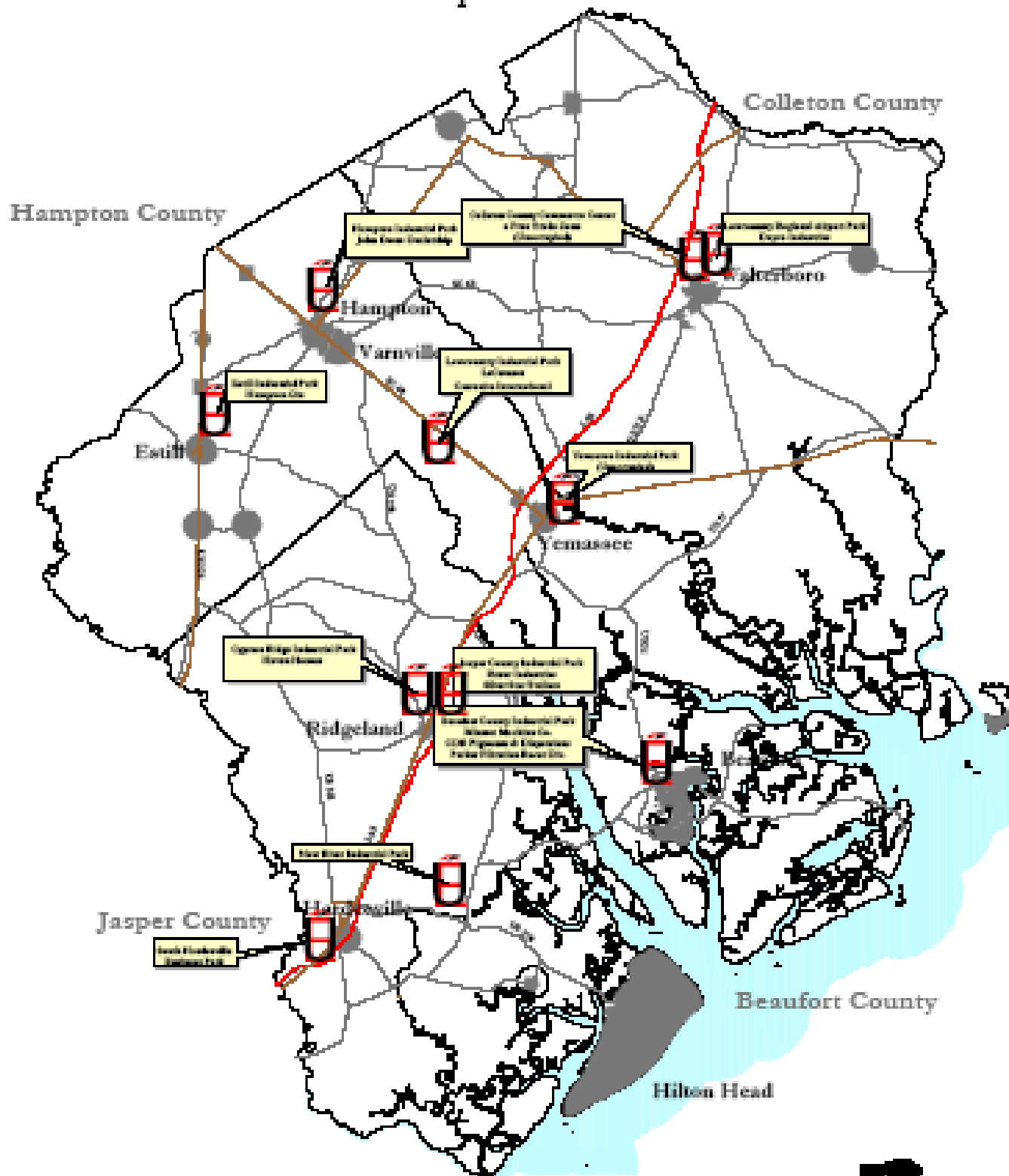
- ◊ LeCreuset – distribution of cooking equipment

Three parks including the Yemassee Industrial Park, South Hardeeville Business Park and New River Industrial Park are empty. The other industrial parks lack in tenants due to land ownership issues, complications among tenants (i.e. some tenants do not want to be located in close proximity to others) and necessary park improvements and upgrades.

A proposed new business park, May River Technology Park in the Bluffton area in Beaufort County, is now moving forward with additional funding. The park received a commitment from its first tenant, CareCore National, in November of 2004 as well as financial contributions in excess of \$600,000 from Palmetto Electric. Additional grant funds in the form of a \$500,000 federal grant from EDA were just received as well as \$1 million in funding from Beaufort County. The Town of Bluffton recently solicited proposals for architecture design services for Building One of the park. The proposed park will serve as a facility that promotes the clustering and support of technology businesses.



Economic Diversification in the Lowcountry Industrial Parks and Occupants



2.2 Land Availability

The Lowcountry has several undeveloped land parcels suitable for large-scale business development including warehouses and distribution centers. The majority of available land is accessible in the four counties along I-95, which makes the region easily accessible and attractive to potential businesses. See Section B of this plan for a description and location of recommended key Economic Diversification Zones along I-95.

2.3 Railroads

Nationwide, CSX Transportation has 23,000 miles of track and access to 70 ports including the two ports in the Lowcountry region. CSX has 1,302 of route miles located in the state of South Carolina with 2,119 grade crossings. Hundreds of miles of this railroad tracking is located in the Lowcountry region. CSX also has access to the largest intermodal network in the U.S. and nationwide transloading and distribution services. CSX owns, maintains and operates the majority of rail lines in the Lowcountry, which are located roughly parallel to I-95. *Appendix J – Market Analysis* provides additional information on CSX operations.



2.4 Airports

The Lowcountry region is served by over a dozen airports. A small commercial airport is located in Hilton Head (Beaufort County). There is also a general aviation airport on Lady's Island (near the City of Beaufort), a small general aviation field in Ridgeland (Jasper County) and a general aviation airport in Walterboro (Colleton County) that has recently been upgraded to handle jet traffic, which could include freight planes. The region also has easy access to the international airports at Charleston and Savannah for freight and passenger travel.

2.5 Ports

The Lowcountry region is in close proximity to two major ports – Savannah, Georgia (ranked 5th largest nationally) and Charleston, South Carolina (ranked 4th busiest nationally). Port Royal located in Beaufort County closed recently due to lack of business. With the closing of the state-operated Port Royal, the Lowcountry region no longer has a port within its boundaries.

While Jasper County has been working closely with Stevedoring Services of America (SSA) to develop a state-of-the-art container facility, South Atlantic Marine Terminal, on the Savannah River, a number of legal and administrative hurdles must be overcome before construction can begin. Jasper County has been working to bring a port to the area for the past several years and has been working with SSA for the past four years.

The major and growing ports at Charleston and Savannah already provide import and export shipping services to the region and opportunities for new business operations; however, forecasts indicate that activity at the Port of Savannah will increase sharply over the next several years, which further supports the addition of a port in Jasper County. According to a January 8, 2005 *Beaufort Gazette* article, Jasper County would receive approximately \$4 million a year and about \$2 for every container that moves through the proposed port. It is also projected that the port could create approximately 3,000 jobs for the region in addition to tax base diversification. See *Appendix J – Market Analysis* for additional port details.

2.6 Roadway & Highways

The four-county region is served by a network of roadways that allow for efficient travel to the major populated areas. I-95 running in the southwest to northeast direction bisects the region and runs through Colleton, Hampton and Jasper counties. This section of I-95 has 13 interchanges, seven of which are located in Jasper County.



The area surrounding several interchanges have been developed as tourism service centers, but most have relatively little development. The still-unoccupied Colleton County Commerce Center is located at an otherwise undeveloped interchange. A branch of a trucking company exists at Hampton County's only interchange (as well as some limited tourism services). Most of the region's developed land is located within a twenty-five mile corridor on either side of I-95.

2.7 Public Transit

Lowcountry Regional Transportation Authority (LRTA), and its predecessor the Beaufort-Jasper Regional Transportation Authority, has operated public transit service in the region since the 1970's. Most of LRTA's service is centered on Beaufort County, which is home to 60% of the region's population, is the most densely populated county, and is the location of major tourism and employment facilities, as well as medical, institutional, educational and government services. Service to the other three counties is

limited to the rush hour commuter service linking several towns and areas with southern Beaufort County. Both Amtrak and Greyhound provide limited service in the area.

The LCOG May 2003 Lowcountry Public Transit Coordination Feasibility Study – A Public Transportation Strategy (*Appendix H*) study revealed a significant portion of the population either needs transit or appears likely to use it if new or enhanced services were available. The potential market segments include groups traditionally identified as needing transit – low income, minorities, and people 65 years and older, as well as tourists, students and staff at post-secondary education institutions, the military, residents of large residential developments, as well as residents and visitors with out-of-region destinations or origins.

The benefits associated with increased transit in the region are diverse, and would include economic, social, environmental and quality of life improvements. See *Appendix H* – Lowcountry Public Transit Coordination Feasibility Study – A Public Transportation Strategy for more information.

2.8 Utilities

South Carolina Electric and Gas (a SCANA corporation), Palmetto Electric Co-op and Coastal Electric Co-op (both part of the Touchstone network) provide power and gas services to the area and has significant capacity for increased service for future development activity.

Water and sewer service is readily available in the developed areas. Ample capacity exists for increased development in the area. Distribution lines can be expanded for significant developments and major utility providers in the region have expressed interest in expanding lines and services to targeted development areas along I-95.

As with any coastal region, the topography of the area is generally flat with numerous water fingers that collect stormwater runoff. These fingers of water must be reviewed on an individual basis for wetlands, environmentally-sensitive areas and flood-prone areas that preclude development.

2.9 Telecommunications

All four counties have telephone, cable and internet access. Sprint is a major telecom provider in the region, as is Comcast Cable. Palmetto Rural Telephone is the major provider of fiber optic lines and digital switching in the region. The majority of the region has access to some type of internet connect via either dial-up, DSL or wireless broadband.

Telecommunications services should be maintained, expanded and upgraded as necessary to accommodate new business development and growth. Additional information regarding telecommunications expansion is detailed in Section C and D and *Appendix F* of this plan.

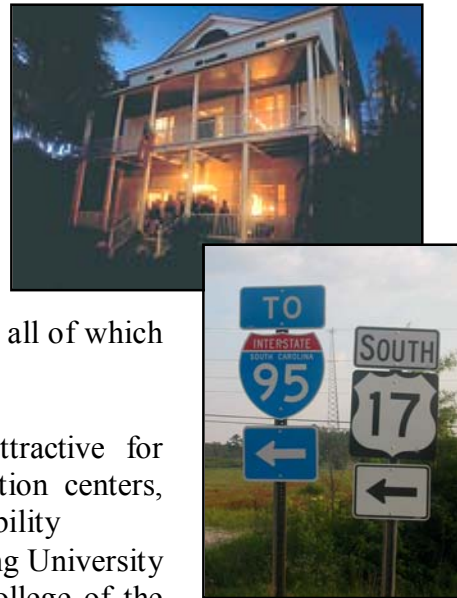
3. STRENGTHS, WEAKNESSES, OPPORTUNITIES AND CONSTRAINTS

This summary assessment draws largely from local comments provided during one-on-one interviews and two workshops with key economic development individuals from each of the four counties and the LCOG. Through these two mediums an appreciation was gained of what local officials, residents and major businesses considered important opportunities and constraints to be addressed in an economic diversification plan for the Lowcountry region.

Listed below are the strengths, weaknesses, opportunities and constraints that residents and workers in the Lowcountry revealed in addition to research of available data that impact economic development activities:

Strengths

- Natural beauty of the region and the desirable climate, which has brought increasing numbers of tourists (now numbering in the millions each year) to the area
- The presence of several major thoroughfares, all of which are high traffic routes through the region:
- I-95; US-17 and US-21; and, US-278
- Property along I-95 that is particularly attractive for business uses (including industrial, distribution centers, commercial) due to the transportation accessibility
- Proximity to educational institutions (including University of South Carolina at Beaufort, Technical College of the Lowcountry, Webster University, MUSC in Charleston and SCAD in Savannah)
- Access to state-of-the-art medical facilities, such as the Keyserling Cancer Center (affiliated with Beaufort Memorial Hospital) and Coastal Carolina Medical Center in addition to MUSC affiliated hospitals in Charleston and Memorial Medical and St. Joseph-Candler hospitals in Savannah
- A strategic location between two major ports (Savannah, GA and Charleston, SC), rail lines (CSX service), local airports and a major interstate (I-95)
- Strategic location between two major metropolitan markets and tourism centers - Charleston and Savannah
- Demographic diversity (see *Appendix P*)
- A stable military presence in the form of MCRD Parris Island, MCAS Beaufort and Beaufort Naval Hospital



Weaknesses

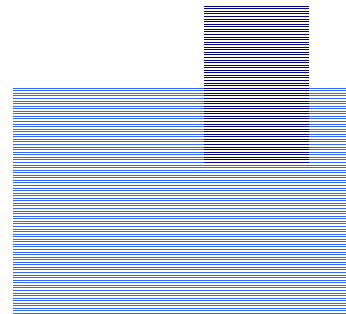
- The lack of understanding by many citizens of what economic development is and that economic development must be multifaceted and consist of the development, expansion and retention of small business, development of a skilled workforce and pursuit of key industries, possibly with creative and innovative financing
- Limited public transportation
- Dependency on the Tri-Command (three military installations in Beaufort County) as the second largest employer in the region
- Dependency upon tourism, which provides much employment, especially in southern Beaufort County. However, those jobs are generally low-paying service sector positions.

Opportunities

- Close proximity to two major ports with the possibility of a third port being added in Jasper County which could create opportunities for economic diversification in specific targeted sectors
- Availability of land suitable for development
- Synergies between targeted industries
- Establishing additional Foreign Trade Zones
- Future transportation capacity
- Willingness of Lowcountry utility providers to expand service to new areas in the region

Constraints

- A regional labor force issue with difficulty in obtaining employees with the necessary education, training and skills
- Challenges associated with working with intergovernmental agencies that have different priorities and views
- Five of the existing industrial parks are located outside of the recommended economic diversification zones including one empty park



4. ECONOMIC BASE STRUCTURE

4.1 Cluster Analysis Overview

A cluster analysis will identify a group of industries that are linked by common product markets, labor pools, knowledge base, similar technologies, supplier chains, specialized services, networks, and research and development and/or other economic ties. Clusters are determined with the use of local labor market information, anecdotal information and employer feedback. By aggregating industries into clusters, economic development professionals can determine appropriate and cross-cutting training needs for multiple firms with similar skill needs and help derive a market based approach to workforce development. Clustering also establishes industry networks that lead to the dissemination of best practices, process innovations, and joint market or product initiatives.

Below we first identify the results of the cluster analysis, followed by the rationale for recommending only selected clusters be targeted as the foundation for economic development. The rationale is based on interest in attracting jobs with wages higher than the statewide averages.

While many businesses in the Lowcountry have the potential to expand, this plan focuses on manufacturing and service businesses whose expansions would contribute to meeting the Lowcountry's economic diversification goals listed below and further detailed in Sections B, C and D of this plan:

- Presently pay or would pay wages/salaries that at least match the state average
- Are members of the several supply chain categories/clusters identified
- Presently employ at least 30 persons and/or have sales of at least \$2,000,000 per year (which information is not readily available from privately-held companies)
- Growth would play a role in the diversification of the economy of the Lowcountry region

4.2 Lowcountry Clusters



In examining the employment sector of the Lowcountry through cluster analysis, several industry strengths were identified. A key finding is the overall strength of the *Retail Trade* sector among the counties. All four counties individually have employment percentages in *Retail Trade* greater than the national and state average. Also, the *Accommodation and Food Services* sector has supplied jobs to the Lowcountry at a rate almost

double the national average, and 169% of the state rate, although its concentration manifests itself primarily in Beaufort and Jasper Counties.

Further, two counties, Colleton and Hampton, have employment concentrations in the *Forestry, Utilities and Manufacturing* sectors that are higher than the national and state averages. Beaufort and Jasper counties also have employment concentrations in the *Construction* sector greater than state and national standards.



Below is a summary of regional and county details, describing economic sectors or groups of industries that represent employment concentrations in the Lowcountry region. This data identifies in which economic sectors the region and individual counties maintain a competitive advantage relative to the state and nation, as shown below:

Lowcountry Identified Clusters

<i>Location</i>	<i>Identified Clusters</i>
All Four Counties (Region)	Retail Trade
Beaufort County	Construction Accommodations and Food Services
Colleton County	Forestry Utilities Manufacturing Wholesale Trade Warehouse/Distribution
Hampton County	Forestry Utilities Manufacturing Transportation and Warehousing Information
Jasper County	Forestry Utilities Construction Wholesale Trade Accommodations and Food Services

Source: BBP Associates

Retail, forestry, utilities and accommodations/food services are important clusters in the Lowcountry; however, this plan does not focus on growing these clusters. Although these fields contribute to the Lowcountry economy and provide a number of jobs, additional positions in these clusters would not bring the desired high wages, or exhibit the potential for significant expansion and economic diversification.

The Lowcountry economic diversification plan does focus on the following specific industry clusters:

- Logistics/Distribution centers (emerging industry)
- Health Care/Medical
- Construction
- Wholesale Trade
- Manufacturing

These identified clusters provide the potential for Lowcountry to attract more businesses in these key fields. The prospective businesses in these industries can be attracted to the Lowcountry due to a combination of concentrated product markets, supply chains and other demonstrated resources. In addition, these industries present an opportunity to develop jobs with above average incomes in growing industries.

For additional details on the Lowcountry's industry cluster analysis, please refer to *Appendix A*.

Two other clusters were identified in the Lowcountry region: hospitality (accommodations, food and beverage operations) and retail. However, these clusters provide wages that are lower than the state average and, hence, should not be pursued in order to diversify the region's economy. Therefore, this plan will only focus on growing clusters that will provide average weekly wages at or above the state average that create economic and diversification expansion opportunities.

Based on the research and analysis by LCOG and BBP, and combined with previous work on such issues as freight transportation advantages, existing manufacturers and natural resources in the Lowcountry, a preliminary listing of possible linkages was developed. Linkages within each of these clusters were identified in order to identify targeted companies detailed in Section B of this plan. The potential linkages are described in the following appendices: *Appendix D* – Growing Existing Manufacturing and High-End Service Companies, *Appendix M* – Supply Chain Management and Cluster Development and *Appendix A* – Cluster Analysis.

Attracting target candidate industries to the Lowcountry region will increase and grow economic diversity. Obtaining business clusters that bring higher quality positions and wages to the residents living in the four county region will create more economic prosperity. It is within this content that the supply chain potential, the workforce and education, and the target candidates are examined in Sections B, C and D.

5. LOWCOUNTRY TOMORROW



Overall, the results of our research and analysis reflect awareness of the need to continue to develop a comprehensive economic development strategy that is sensitive to concerns about the impact of economic development on the overall quality of life and the community culture and identity. Residents emphasized measures and strategies to encourage business growth and the addition of other employment sectors in selected areas with direct highway access. Residents also expressed

concern about maintaining their existing quality of life but at the same time saw the value of developing a four-pronged freight transportation logistics strategy which would provide the greatest potential to the region.

During discussions, a central theme emerged regarding where economic development planning should be focused both geographically and through the use of public expenditures. Geographically, participants indicated that planning should focus on actions that will encourage development on sites in each of the four counties throughout the Lowcountry region. Participants indicated economic development should be pursued only along key transportation corridors (i.e. I-95), and that future land use opportunities and future transportation and public infrastructure improvements should respect these geographic concerns in order to focus economic growth to where it's most desirable. See *Appendix S* for a list of Lowcountry stakeholders and technical contacts that were interviewed by BBP.

It is within this content that the economic base of the Lowcountry yielded the following seven recommendations. Further pinpointing both the types and the preferred geographic direction of economic growth in the four counties is the focus of recommendations made in Sections B, C and D of this plan.

Recommendation 1: Adopt a Four-Prong Transportation Focus to Pursue Economic Development

A four-prong transportation focus to geographically pursue economic development opportunities emerges from the examination of the Lowcountry's demographic trends, educational institutions, strengths/weaknesses/opportunities/constraints and economic base structure. The four prongs are:

- air
- roads
- ports
- rail



The presence of I-95 with 13 interchanges is an obvious economic development opportunity that can benefit not only those locally but also the Lowcountry region, particularly if actions are taken to link this major asset with air, port and rail-related business ventures. As detailed below, “interface” locations offering rail and road access will be promoted as prime geographic locations to pursue this transportation-oriented approach to economic development.

The region’s proximity to two major commercial airports (Charleston and Savannah), as well as the existing system of smaller “receiver” and “feeder” airports throughout the four-county area, offers major economic development opportunities, both by themselves but certainly in connection to the other three forms of regional transportation. In fact, as detailed below, Colleton County has devised creative plans to link air and roads to create multi-modal transportation opportunities to increase economic development.

Likewise, the presence of major existing ports, and possibly a new port, should be viewed as an important attribute when moving forward with plans to “mesh” these opportunities with other transportation-related approaches. Development of off-site locations in the Lowcountry region that support past operations that can offer cost savings and business efficiencies logistically should be pursued, as further detailed below.

Recommendation 2: Establish a Logistics Institute

Given the Lowcountry region’s proximity to air, road, rail and port facilities, an important market linkage system can be fostered. The Lowcountry’s access to several transportation means well-positions the four county area as a transportation logistics hot spot. Major logistics centers are being developed worldwide; many located at airports are built as “logistics parks” with office parks, merchandise marts and hotel/entertainment complexes.

Logistics, transportation and related infrastructure have an impact on port locations as well. In the competitive world of global shipping, size matters, as ship capacities test port capacities in turn. All of these market trends, together with the rail freight market trends point to the need to further explore multi-modal facilities in the Lowcountry region. Additional Lowcountry airport, rail and port details are provided in *Appendix J – Market Analysis*.

Recently, the National Center for Bridge, Highway and Transportation Technologies, a new grant-funded entity, focused on the development of transportation technology related to bridge inspection with the use of radar. Even though the Lowcountry’s focus would be on other transportation technologies, this new entity is paving the way for others to enter the market and reap the benefits of new technologies in the transportation field. Also relevant is the Federal Highway



Administration's Freight Transportation Section, which is becoming more active these days.

The region should strongly consider a transportation logistics institute at one of the major Lowcountry education institutions focusing on a four-pronged transportation approach including airports, railroads, ports and highways.

During LCOG discussions with the USCB Vice Chancellor, it was revealed that USCB is, in fact, considering the addition of a "Freight Logistics" major. The new program idea will be presented at the annual faculty planning session in mid-August, 2005. This program could ultimately lead to the establishment of a unique logistics research institute in the Lowcountry with a focus on new approaches to multi-modal and inter-modal goods movement.

The Lowcountry should utilize the educational assets of USCB as well as apply for grant funds to develop a logistics institute unique to the Lowcountry region. It is anticipated that necessary start-up funds to establish such an institute would be approximately \$500,000. It would also be beneficial for LCOG and USCB to consult with other educational institutions with established logistics programs.

Appendix W provides details about three examples of other logistics institutes.

Recommendation 3: Promote Distribution Centers in the Region

The Lowcountry region would be a perfect fit for a distribution center. Target announced earlier this year plans to construct a massive distribution center off of I-95 in Midway, Georgia in the Midcoast Business Center which will bring over 450 jobs to the area. Springfield, Georgia also landed a \$20 million Flint River Services, Inc. cold storage distribution center which will bring over 100 jobs to the area during phase one.

Marketing the region's access to several transportation means (i.e. rail, air, port and highway) and local land availability will well-position the four-county region to target pursuit of distribution centers. These large distribution centers will bring hundreds jobs to the region, improve the weekly wage rate and diversify the tax base.

To further guide Lowcountry industry cluster development to success, particularly the emerging target of distribution centers, an examination of supply chain management in relation to each cluster was undertaken. The basis for such an examination resided in current trends in supply chain management. North American companies of all types are increasingly trying to apply what is defined as "a total systems concept to managing the entire flow of information, materials and services from raw materials suppliers through factories and warehouses to the end customer."

The objectives are to both gain a competitive advantage and to reduce costs. In June 1999, Benchmarking Partners found that supply chain management expenses (inventory holding, transportation, order management and related information technology) averaged 25 percent of US corporate budgets. In practice, this means that location of operations is

more important than ever before as manufacturers, distributors, retailers and others try to position themselves as strategically as possible in relation to both suppliers and customers. Through analyzing identified Lowcountry industry cluster supply and potential linkages, programs can be developed that enhance the Lowcountry's ability to grow and attract cluster industries.

Business synergy frequently takes advantage of underutilized space in supply lines or overhead operations. A type of synergy called "overlap" concerns the supply of raw materials and finished products. Overlap synergy opportunities present themselves as neighboring business entities may use the same sources or suppliers. For manufacturers, this would be raw materials; in the case of retailers, this would be actual product sources.

In the Lowcountry region, targeted clusters present the opportunity to explore synergy savings. Overlap synergy opportunities present themselves in the residential/construction and manufacturing, wholesale trade and logistics/distribution centers (emerging industry) clusters. Section B of this plan and *Appendix N – Synergy and Relationship Analysis* address specific synergistic relationships in the region.

Based on the research and analysis summarized above, and combined with previous work on such issues as freight transportation advantages, existing manufacturers and natural resources in the Lowcountry, a preliminary listing of possible linkages was developed. This listing is by no means an exhaustive list and should serve only as the beginning of a larger and longer-term identification process. The overriding goal is to provide jobs that will pay at least the state average weekly salary.

- **Residential and Other Construction.**

- Wooden window and door (to tie in with timber industry) manufacturing and distribution; vinyl window and door (to expand product lines of two manufacturers in Hampton County) manufacturing and distribution
- Window protective film (solar, wind) manufacturing and/or distribution
- HVAC manufacturing or distribution
- Metal truss and beam manufacturing (residential construction is finally beginning to switch from wood framing, especially in the Southeast because of climatological conditions)

- **Medical/Health Care**

- Diagnostic, clinical or product testing laboratories
- Research labs
- Pre-admitting call centers
- Medical imaging equipment distribution
- Medical supply distribution
- Medical equipment distribution

- Medical software sales, distribution and training

- **Hospitality**

- Food freezing (using local seafood and vegetables), storage and distribution
- Cooking equipment distribution
- Software/hardware technologies

- **Retail** (all are related to retail distribution centers)

- Distribution centers for major and minor retail chains
- Freight forwarding companies
- Tractor trailer manufacturer or repair facilities (similar companies are already in the area: Great Dane in Savannah, Silver Star and Tico in Ridgeland)
- Truck cab and trailer sales and distribution centers
- Freight transportation/distribution logistics software sales, distribution and training
- Freight transportation logistics research center

See *Appendix M* for additional supply chain details.

Again, while the Lowcountry may currently have a concentration in certain industries, these identified industries stand at different development points to allow for future area growth. Although it is not an industry cluster to be pursued through this project, the *Accommodation and Food Services* industry is an example of an industry that has received significant investment over time. Through this investment it has become a sector that continues to grow and attract additional business to the Lowcountry. The Lowcountry can build off of this cluster and its synergies to draw in target businesses that support the sector. Target businesses may include distribution centers, manufacturing of and warehouses for hospitality related products.



While the basis exists within the Lowcountry for identified industry clusters to thrive, additional work must be done to attract them to the region. Some industry clusters, upon examination through this analysis, require investments in infrastructure, access to greater capital or assistance with workforce training to reach their full potential and strengthen the Lowcountry's economy.

Provided on the following page is a matrix identifying whether needed investment in infrastructure, training and finance will be required to support these industries locally. The ratings scale employed is as follows:

- A: definite need for investment to support industry cluster
- B: possible need for investment to support industry cluster
- C: little need for investment to support industry cluster

Matrix: Priority Allocation of Support for Industries

	Investment Necessary to Support Industries					
	Infrastructure			Training		
<u>All Four Counties (Region)</u>						
Retail Trade		C		C		C
<u>Beaufort County</u>						
Construction		C		C		C
Accommodations and Food Services		C		C		C
Real Estate		C		C		C
Logistics/Distribution Centers*		B		B		B
<u>Colleton County</u>						
Forestry		C		C		C
Utilities		C		C		C
Manufacturing		B		B		B
Wholesale Trade		B		B		B
Logistics/Distribution Centers*		A		A		A
<u>Hampton County</u>						
Forestry		C		C		C
Utilities		C		C		C
Manufacturing		C		C		C
Transportation and Warehousing		B		B		B
Logistics/Distribution Centers*		A		A		A
<u>Jasper County</u>						
Forestry		B		B		B
Utilities		C		C		C
Construction		C		C		C
Wholesale Trade		B		B		B
Accommodations and Food Services		C		C		C
Logistics/Distribution Centers*		A		A		A
*emerging industry						

Source: BBP Associates

In order for industries to be put on a path to similar growth varying degrees of attentiveness and investment will be required as indicated in the matrix on the previous page. Logistics/distribution centers are a prime example of where additional investment in infrastructure, workforce and financial incentives is necessary to aid an emerging industry. A logistics/distribution center is any facility a company uses to facilitate the flow of its raw materials and finished goods. It can range in size from a small corner of a public warehouse to a larger facility operated by the manufacturer or its contract logistics provider.

There are multiple opportunities for the Lowcountry to capitalize on this emerging industry but necessary investments, as discussed below, will be required in order for this cluster to prosper.

Infrastructure

Continued regional investment in transportation infrastructure and new facilities will aid the Lowcountry in attracting distribution/logistics centers. Transportation is a major cost associated with distribution/logistics centers. Distribution center transportation costs, both inbound and outbound, often comprise up to 50%-60% of a company's total distribution expense. Failure to understand the strategic importance of the distribution center location in relation to supplier and customer locations can severely affect a company's competitiveness.

At some point, most products move by truck--even if that truck goes straight to an airport or port. Therefore, proximity to well-maintained interstate highway ramps and local highways is essential. Many cities and regions have reputations for traffic jams during certain hours of the day and this can deter companies from locating to the region. Easy access to major transportation arteries without significant traffic hassles will make the Lowcountry region a more desirable location.

Necessary capital to improve the Lowcountry highway system could possibly be acquired through lobbying for road funds, particularly to improve key intersections. In addition, implementing proper commercial zoning (to reduce congestion by ensuring commuter traffic is not anchored near industrial commercial centers as much as possible) will enhance the region's marketability.

Recommendation 4: Ensure the Region Remains "Freight-Transportation Friendly"

Growth in the US economy has largely been truck-dependent. However it also depends upon the ability to provide intermodal services (rail, air and water), since freight transportation is multi-modal by nature. The Lowcountry offers all of these transportation means. Through traffic in the Lowcountry is well served by Interstate 95 and a combination of US and state highways. In spite of localized peak-hour congestion, notably on US 278 in the Bluffton-Hilton Head area, traffic on roads and highways in the Lowcountry still tends to move freely. Recent Vehicle/Capacity (V/C) ratio analysis of

Lowcountry highways and roads by SCDOT and LCOG planning staff have confirmed this. There is also mainline rail service as well as nearby international ports and airports. As a result, the Lowcountry and its four counties can be considered a “freight-friendly” region, which can be a major factor in making decisions about corporate expansion and/or relocation. The LCOG is discussing future policies regarding freight-friendly initiatives that can be included in the Regional Long-Range Transportation Plan which is mandated and funded by SCDOT.

A minor “freight-friendly” issue that affects mainly Beaufort County is the location of the mandatory evacuation route. There has been some discussion relating to the relocation and boundaries of mandatory evacuation routes to accommodate possible future distribution centers and other businesses that may choose to locate in the region, particularly along the northern Beaufort County line. According to an October 30, 2004 *Beaufort Gazette* article, many distribution firms have expressed interest in locating along I-95 and US-17 but are leery of complications that could arise when a mandatory evacuation occurs. A mandatory evacuation would cease business operations putting the distribution center at a disadvantage and disappointing customers.



It would be to the advantage of the region to further research the possibility of excluding the northern portion of Beaufort County in the mandatory evacuation designated route.

Recommendation 5: Expand Water and Sewer Capacity Along I-95 Where Necessary

Business expansion is recommended along the I-95 corridor. Adequate infrastructure including water and sewer capacity will be necessary. It is recommended that that Lowcountry be pro-active and expand its water and sewer capacity throughout the four-county region in anticipation of business expansion in the four counties with particular focus along I-95.

It is imperative that the Lowcountry maintain and improve its infrastructure in order to attract new industries and promote economic development. Implementation of the above recommendations will reflect positively on the region and work as a marketing tool in “selling” the region to target candidates. Economic development tools and strategies which are dependent upon reliable and up-to-date infrastructure are further detailed in Sections C and D of this plan.

Finance

Along with obtaining government assistance to fund infrastructure costs such as roads, other available government financial incentives should be considered. These incentives can be made available for specific projects through tax abatements and project aid, and

workforce training incentives. Specific incentives available through the state of South Carolina are discussed in Sections C and D of this plan. In addition, the ease at which a business entity can navigate the building approval, permit process and zoning process should be considered and reviewed. South Carolina already has a reputation as a state with a pro-business environment and the subsequent improvement of processes reinforces this reputation.

While location and an available workforce can interest and attract distribution/logistics centers to the region, an area that also demonstrates its willingness to work with businesses increases its chances of landing successful and prosperous target candidates.

The above supporting investments will allow the Lowcountry to capitalize on distribution/logistics centers as well as assist other identified clusters requiring minor investments. For example: a flourishing distribution center cluster will support the development of the wholesale trade industry; while the improved roads and workforce development programs will aid in the total business readiness and attractiveness of the Lowcountry.

Recommendation 6: Continue with the Application Process for Foreign Trade Zones

A Foreign Trade Zone (FTZ), also known as a Free Trade Zone, is a federally sanctioned site where foreign and domestic goods are considered to be outside of the U.S. Customs territory. Merchandise can be brought into a FTZ to be stored, exhibited, repackaged, assembled or used for manufacturing free of customs duty, quota and other import restrictions until the decision is made to enter the goods into the U.S. market. No duty is ever paid on foreign goods that are re-exported from the FTZ.

FTZ's consist of 2 different types of zones:

- ◇ General-purpose zones are typically located at ports or industrial parks. They must be opened to multiple zone users. Although manufacturing is permitted within general-purpose zones, the most common activity use is for warehouse and distribution activity.
- ◇ Subzones are special-purpose zones, usually at manufacturing plants. A subzone of a general-purpose zone can be approved if the company is unable to relocate existing facilities into a general-purpose zone site. Subzones are approved for use by one company for a specific activity. Applications for subzone status must demonstrate a significant public benefit for approval.

The advantages of having a FTZ include:

- No duties on or quota charges on re-exports
- Customs duties and federal excise tax deferred on imports

- Foreign goods and domestic goods held for export are exempt from state/local inventory taxes
- Where zone manufacturing results in a finished product that has a lower duty rate than the rates on foreign inputs (inverted tariff), the finished products may be entered at the duty rate that applies to its condition as it leaves the zone
- Help facilitate and expedite international trade
- Provide special U.S. Customs procedures as a public service to help firms conduct international trade related operations in competition with foreign plants
- Encourage and facilitate exports
- Help attract offshore activity and encourage retention of domestic activity
- Assist state/local economic development efforts
- Help create employment opportunities

The State of South Carolina has three Foreign Trade Zones with seven subzones with the Port of Charleston servicing one FTZ and two subzones. The State of Georgia has three FTZs with 11 subzones with Savannah/Hilton Head International Airport servicing one FTZ and three subzones.

Colleton County has applied for two Level IV certified FTZ's:

- ◊ One FTZ is to be located at the Colleton County Commerce Center
 - 260 acres – 160 acres for distribution/manufacturing
 - Access to utilities
- ◊ The second FTZ is to be located at the Lowcountry Regional Airport
 - 130 acres
 - Access to utilities

Moving forward with the application process for these two FTZs is prudent. The potential FTZs have direct ties to I-95 and the Lowcountry Regional Airport. Additional Colleton County road improvements including the potential four-laning of McLeod Road (Exit 62 at I-95) to US-15 South and Industrial Road East, will tie the Colleton County Commerce Center's 260 acres



with approximately 500 acres at the Lowcountry Regional Airport. These improvements will provide efficient truck traffic routes and enhance transportation from Charleston through the region to Savannah and Atlanta, GA creating attractive transport opportunities for target companies. See Section D and *Appendices H and V* of this plan for additional recommended infrastructure improvements.

The other three Lowcountry counties are also in an excellent position to apply for FTZs or subzones, making the area more attractive to businesses that require import/export services.

Sections C and D of this plan provides additional recommendations to help grow target clusters and attract the appropriate companies to the Lowcountry.

Workforce

For companies with people-intensive distribution needs, a qualified, available workforce is vital in attracting distribution/logistics businesses. Some companies have discovered that locating in areas with historically low wage rates does not result in company savings as the company must put any savings into worker training programs. Workers in highly automated warehouses often require computer skills and training that ultimately result in higher wages.

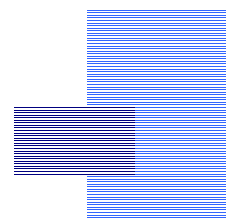
Working with area technical colleges and businesses to develop training programs will assist the Lowcountry in attracting these higher wage generating distribution/logistics centers. In the four counties, educational attainment levels have increased over the past decade and new initiatives are in place or currently under way in local secondary and post-secondary educational institutions to ensure that the Lowcountry is able to train, nurture and retain a labor force relevant to economic diversification in the 21st century.

Recommendation 7: Assist in lobbying efforts for expanded worker training funds and greater communication between area businesses and academic institutions

The Lowcountry Workforce Investment Area (WIA) department at LCOG is also involved in the training of prospective job seekers and the areas youth. WIA staff work with the area's educational institutions to help direct those looking for work force education and training and to determine current and future employment trends

Not only does the WIA provide job specific training for prospective employees but it also provides work shops and programs pertaining to work ethic and appearance in order to increase the likelihood of an employee performing to the level expected by employers.

The complete Lowcountry Workforce and Education report in *Appendix I* provides an in-depth discussion of the region's workforce training and available education. Many of the current post-secondary collaborative programs and ways to expand such programs are discussed in Sections A and D of this plan.



B. ECONOMIC DIVERSIFICATION: LOWCOUNTRY TARGETS AND LOCATIONS

1. CANDIDATE IDENTIFICATION

Recommendation 8: Contact and Market the Region to Target

1.1 Target Company Profile Overview

In June 2005, BBP and InSite Consulting met with the LCOG staff and representative leadership from Hampton, Colleton, Beaufort, and Jasper counties to discuss recommended target industry sectors, any ongoing target industry initiatives within the region, and future goals of a target industry program.

The leadership meeting combined with BBP and LCOG research assisted in the development of the following NAICS as primary targets. Please note that while the Distribution/Logistics sector covers such a wide range of industries, we recommend beginning at the two digit NAICS level to accommodate a variety of logistics operations. The following industry profile serves as a guide in developing the target company database.

NAICS	Description
3219	Wood product manufacturing (wood windows & doors, millwork, etc)
3212	Veneer, plywood & engineered wood product manufacturing (hardwood veneer, truss manufacturing, OSB, MDF, etc)
3323	Architectural and structural metals manufacturing (metal windows & doors, ornamental & architectural metal work, prefab metal building & components, etc)
3362	Motor vehicle body and trailer manufacturing (utility trailers, motor homes, campers, motor vehicle bodies & cabs, etc)
3363	Motor vehicle parts manufacturing (gasoline engine & engine parts, vehicular lighting equipment, vehicle electrical & electronic equipment, brake systems, transmission & power train parts, etc)
3369	Other transportation equipment manufacturing (motorcycle, bicycle & related parts, military armored vehicles & components, golf carts, personal watercraft, etc)
3261	Plastics product manufacturing (floor coverings, pipe & fittings, building materials, packaging materials, countertops, plastic bottles, etc)
5121	Motion picture and video industries (motion picture & video production, post production services, etc)
6215	Medical and diagnostic laboratories (diagnostic imaging centers, home health care services, medical testing laboratories, etc)
42, 44-45	Distribution/Logistics (with specific emphasis on machinery, electrical equipment & appliances, and transportation equipment)

The target company identification is based on the search parameters listed below and concentrates on the above NAICS.

- Target Company Locations
- Company Ownership – Public or Private Ownership
- Company Employment Size – Minimum 50 Employees
- Company Annual Sales – \$5 Million Minimum Annual Sales
- Percent Employment and Sales Change – Minimum Increase in Employment of 3% Over the Past Three Years
- Internal and External Business Environment changes

Target Company Database Content

The LCOG target company database (*Appendix O*) contains the following information:

- Company Name
- Address and Telephone
- Decision Makers
- Annual Sales
- Facility Square Footage (if available)
- Employment
- SIC and NAICS codes
- Parent company name
- Importer/Exporter
- Web Sites (if available)

See *Appendix O* – Target Candidates List for a list of over 200 identified target companies which meet the above identified criteria.

Recommendation 9: Maintain and Implement Incentives and Policies Necessary to Attract New Businesses

1.2 Incentives & Policies

The State of South Carolina presently offers a variety of programs which are summarized in the *South Carolina Tax Incentives for Economic Development, 2005 Edition*, prepared by the Department of Revenue.

The incentives include a range of business property tax exemptions for such functions as manufacturing, research and development, corporate headquarters, corporate office facilities, and distribution facilities. South Carolina also provides grants for infrastructure. Local jurisdictions in the state have the additional opportunity of issuing Special Source Revenue Bonds to lower the cost of property taxes for businesses.

Together these monetary and non-monetary incentives make South Carolina competitive with the rest of the US. Economic development agencies in the Lowcountry should

continue to make use of all incentives that are appropriate to situations as they arise, but for the region to differentiate itself in attracting new businesses and encouraging existing businesses to both remain and expand supplementary approaches unique to the region are needed. These enticements should be developed specifically to meet the goals of this economic diversification plan.

See *Appendix R – Targeted Incentives* for additional details on monetary and non-monetary incentives.

1.3 Targeting Companies and Regional Incentives

As recommended in this plan (Section B) Lowcountry economic diversification efforts should target the candidate companies identified in *Appendix O* and utilize any and all incentives available in the region (See *Appendix R*) to attract and retain these target companies. Sections C and D of this plan provides additional recommendations on how incentives can be used to draw key industries to the region.

2. I-95 ECONOMIC DIVERSIFICATION ZONES

I-95 bisects the Lowcountry region and runs through Jasper, Colleton and Hampton counties with 13 interchanges. Seven of these interchanges are located in Jasper County. As mentioned previously, several interchanges have been developed as tourism service centers, but many of the interchanges have little development.



As previously mentioned, the Lowcountry region has 11 industrial parks. Six parks are located in close proximity to I-95. Two of these six parks are currently empty (South Hardeeville Business Park, Yemassee Industrial Park). The primary focus of this plan is location; recommendation 10 below emphasizes marketing the current Lowcountry parks in close proximity to I-95 to potential target companies. Locating tenants for the remaining five parks in the Lowcountry should be a secondary focus until after economic diversification goals have been met in these zones.

In discussions with Palmetto Electric Cooperative, Inc. and South Carolina Electric and Gas, it was learned that the majority of Lowcountry I-95 exits already have access to or

could easily obtain electric and gas services. Water and sewer service is present in key areas throughout the four-county region. Beaufort-Jasper Water and Sewer Authority, which services much of Beaufort and Jasper Counties, indicated it is more than willing to extend service along I-95 where necessary.



**Recommendation 10:
Market the I-95
Diversification Zones
to Identified Target
Industries**

After touring the region and factoring in the target candidate industries, infrastructure, transportation-logistics, and the region's strengths and opportunities, four economic diversification zones are recommended along I-95. Each zone contains two or more I-95 interchanges. Jasper County contains two zones, Colleton County has one zone and Hampton and Colleton Counties share one zone. I-95 does not run through Beaufort County; however, the County offers many advantages to certain target companies in addition to

major inter-county and inter-state arterial highways (i.e. US-21 and US-17) that intersect with I-95. Because Beaufort County is not directly located in one of the four zones, this plan addresses the industry clusters the County should target, after the Zone 4 description.

Below are the details for each of the four economic diversification zones. The bulleted information presented for each exit is representative of establishments directly off of the exit to the east and west.

Zone 1: Jasper County --- I-95 Exit 5 and Exit 8

- ◊ Exit 5 is the last exit before Savannah, Georgia. The exit offers several mid-scale and economy hotels, gas stations, fast food restaurants, auto parts and mini-mart type establishments.
- ◊ Exit 8 offers the same types of accommodations as Exit 5 in addition to the new Coastal Carolina Medical Center



Zone 1 is an ideal location for target industries that depend on the Savannah port and would be interested in utilizing the proposed South Atlantic Marine Terminal (Jasper County). Utilities are present near both exits. US-17 also provides access to the Savannah port while US-278 leads to Hilton Head Island (Beaufort County) with access to the small, publicly-operated, Hilton Head Island Airport (HXD). This Zone also allows easy access to the Savannah/Hilton Head International Airport (SAV) via I-95. These public airports could possibly allow air transport service of goods and supplies for the targeted businesses in Zone 1.

Jasper County, in conjunction with LCOG and Beaufort County, should market Zone 1 and the empty South Hardeeville Business Park to those construction/manufacturing, distribution/logistics and wholesale trade targeted NAICS companies (identified below and in *Appendix O*) that could benefit logistically from air, port and interstate highway access with a location off of Exits 5 and 8. The CSX line also runs parallel to I-95 and a

CSX spur is available at Exit 8 and US-278. Additional spurs could also be developed in order to aid target companies that may also require rail access for their operations. Jasper and Beaufort Counties should target the following NAICS industries to locate in Zone 1:

- ◇ 42, 44-45 – Distribution/Logistics
 - Target company distribution/logistics major emphasis to include:
 - Machinery
 - Electrical equipment
 - Appliances
 - Transportation equipment
 - Major retailers
 - Food and Beverage (to service the hospitality industry)
- ◇ 3219 – Wood product manufacturing (wood windows and doors, millwork, etc.)
 - Target companies may include:
 - Weaber Hardwoods
 - Pella Corporation
 - Fenway Holdings, LLC
- ◇ 3212 – Veneer, plywood and engineered wood product manufacturing (hardwood veneer, truss manufacturing, OSB, MDF, etc.)
 - Target companies may include:
 - Carpenter Components of America
 - Craftmaster Manufacturig, Inc.
 - Ameriwood Industries
- ◇ 3323 – Architectural and structural metals manufacturing (metal windows and doors, ornamental and architectural metal work, prefab metal building and components, etc.)
 - Target companies may include:
 - Kullman Industries, Inc.
 - Butler Manufacturing Company
 - Creation Group, Inc.

Zone 2: Jasper County --- I-95 Exit 18, Exit 21, Exit 22 and Exit 28

- ◇ There is no development directly off of Exit 18.
- ◇ Exit 21 has several mid-scale and economy hotels, fast food establishments, strip shopping malls, gas stations, a grocery store and access to the Blue Heron Nature Trail.
- ◇ Gas stations are also present off of Exit 22 with no other development directly off of I-95.
- ◇ Exit 28 has very little development with a small food store and gas stations.



Utilities are present at Exits 21 and 22, which make these exits the ideal location for additional development. The Town of Ridgeland recently zoned a large parcel of serviced land at Exit 22 for industrial use including light manufacturing and distribution uses. Exits 18 and 28 also provide promising opportunities as target business locations, but utilities would need to be available in order to attract companies to these particular exits. The land nearest Exit 18 is likely to be annexed in the near future.

Zone 2 has access to three small public airports including Beaufort County Airport (73J), Ridgeland Airport (3J1) and Hilton Head Island Airport (HXD) in addition to Savannah/Hilton Head International Airport (SAV). These public airports may permit the transport of necessary supplies and materials necessary for the target clusters in Zone 2.

With its close proximity to the new Carolina Coastal Medical Center off of Exit 8 and Beaufort Memorial Hospital (home to the Cochrane Heart Center) and its nearby Keyserling Cancer Center (associated with the Duke University Medical Center and slated to open in Spring 2006), Zone 2 is well positioned to attract medical/health care target industries. In addition to this ideal location between key medical/health related organizations, a continually and rapidly increasing number of retirees are relocating to Beaufort County, making it advantageous for additional healthcare-oriented companies, including testing laboratories, to locate there.



Jasper County in conjunction with LCOG, Beaufort County, Carolina Coastal Medical Center and Beaufort Memorial Hospital should work together to market Zone 2 to those targeted medical and logistics companies identified below and in *Appendix O* that could reap benefits from this ideal Lowcountry location.

Jasper and Beaufort Counties in conjunction with LCOG should market Zone 2, the Cypress Ridge Industrial Park and Jasper County Industrial Park to targeted transportation-logistics companies identified below and in *Appendix O* that could benefit from this central location offering air, rail, port, interstate and educational access.

Zone 2 would be an ideal location to market to the following NAICS industries:

- ◇ 42, 44-45 – Distribution/Logistics
 - Target company distribution/logistics emphasis to include:
 - Machinery
 - Electrical equipment
 - Appliances
 - Transportation equipment
- ◇ 3369 – Other transportation equipment manufacturing (motorcycle, bicycle and related parts, military armored vehicles/components, golf carts, personal watercraft, etc.)
 - Target companies may include:
 - General Dynamics Land Systems
 - General Dynamics Defense Systems
- ◇ 6215 – Medical and diagnostic laboratories (diagnostic imaging centers, home health care services, medical testing laboratories, etc.)
 - Target companies may include:
 - Spectrum Laboratory Network
 - Regeneration Technologies, Inc.
 - Laboratory Corp. America Holdings
- ◇ 5121 – Motion picture and video industries (motion picture and video production, post production services, etc.) The recommended site location of the film studio is the former Battery Creek High School in the City of Beaufort (see *Appendix C – Film Studio Feasibility Study* for more details). It is recommended that any “spill-over” facilities and/or necessary motion picture/video support industries locate in Beaufort and Jasper Counties with close proximity to I-95 Zone 2. See Beaufort County excerpt on page 41 of this plan.
 - Target companies may include:
 - International Post Limited
 - 20th Century Fox Home Entertainment
 - Coastal International



Zone 3: Hampton County/Colleton County --- I-95 Exit 33, Exit 38, and Exit 42

- ◊ Exit 33 offers the KOA Oaks RV Resort for camping, the Lowcountry Visitors Center and Museum, and Lowcountry Council of Governments, along with gas stations and mid-scale/economy hotels and fast food restaurants.
- ◊ The CSX rail line runs along Exit 38 to US-278 in addition to economy motels, gas stations and fast food restaurants.
- ◊ There is no development directly off of Exit 42.

Utilities are present at Exits 33 and 38. There is no development directly off of Exit 42 making this area a good location for a large warehouse, construction, distribution and manufacturing facility, but utilities would need to be present in order to attract those clusters to that particular interstate exit. Beaufort County has already identified a zone of property less than 2 miles of off Exit 33 for use by the distribution/logistics and wood manufacturing clusters.



Zone 3 is in close proximity to four small public airports including Beaufort County Airport (73J), Ridgeland Airport (3J1), Lowcountry Regional Airport (RBW) and Hampton Varnville Airport (3J0) in addition to the larger Savannah/Hilton Head International Airport (SAV) and Charleston International Airports (CHS). The Lowcountry Regional Airport recently underwent upgrades including, resurfacing of two runways and remodeling of the terminal building. The airport commission also received a \$1.7 million FAA grant to install and maintain an ILS system. A future runway extension to 10,000 feet is possible.

Hampton, Colleton and Beaufort Counties in conjunction with LCOG should market Zone 3, the Beaufort County Industrial Park and the empty Yemassee Industrial Park to the construction, distribution, wholesale trade and manufacturing clusters. Hampton County currently provides a majority of the region's manufacturing jobs. Locating additional manufacturing companies in Zone 3 may provide overlap synergy opportunities (i.e. manufacturers may use the same types of raw materials and/or suppliers which could lead to combined shipments thus reducing costs). See *Appendix N – Synergy and Relationship Analysis* for more details.

A CSX spur is located near the Hampton County/Colleton County line with access to US-601 which leads to US-278 and US-321. CSX also forms the boundary/border between Hampton and Beaufort Counties in the Town of Yemassee. The access to the CSX spur well positions this zone for easy transport of construction materials and manufacturing

and warehouse products via rail. The six public aviation facilities and two large ports would also aid candidate companies with moving materials and products throughout the nation.

The following NAICS industries would find it beneficial to locate operations in Zone 3:

- ◇ 42, 44-45 – Distribution/Logistics
 - Target company distribution/logistics emphasis to include:
 - Machinery
 - Electrical equipment
 - Appliances
 - Transportation equipment
- ◇ 3219 – Wood product manufacturing (wood windows and doors, millwork, etc.)
 - Target companies may include:
 - Weaber Hardwoods
 - Pella Corporation
 - Fenway Holdings, LLC
- ◇ 3212 – Veneer, plywood and engineered wood product manufacturing (hardwood veneer, truss manufacturing, OSB, MDF, etc.)
 - Target companies may include:
 - Carpenter Components of America
 - Craftmaster Manufacturing, Inc.
 - Ameriwood Industries
- ◇ 3323 – Architectural and structural metals manufacturing (metal windows and doors, ornamental and architectural metal work, prefab metal building and components, etc.)
 - Target companies may include:
 - Kullman Industries, Inc.
 - Butler Manufacturing Company
 - Creation Group, Inc.

- ◇ 3362 – Motor vehicle body and trailer manufacturing (utility trailers, motor homes, campers, motor vehicle bodies and cabs, etc.)

- Target companies may include:

- Spartan Motors, Inc.
- Edgerton Forge, Inc.
- Pridgeon & Clay, Inc.



- ◇ 3261 – Plastics product manufacturing (floor coverings, pipe and fittings, building materials, packaging materials, countertops, plastic bottles, etc.)

- Target companies may include:

- Henkel Consumer Adhesives
- Marshall Plastic Film
- Toray Plastics America, Inc.

Zone 4: Colleton County --- I-95 Exit 53, Exit 57, Exit 62 and Exit 68



- ◇ A rest area is located between Exits 42 and 53.
- ◇ Exit 53 has access to Green Acres Camping, the Artisan Center, mid-scale and economy hotels, fast food establishments and other restaurants.
- ◇ Coastal Lumber Company (wood chipper plant) is located off of Exit 57 along with the new Super Wal-Mart, gas stations, economy hotels and fast food restaurants.

- ◇ The Colleton County Commerce Center (FTZ) is in between Exits 57 and 62.
- ◇ There is no development directly off of Exit 62 except for an abandoned gas station.
- ◇ Exit 68 is on the edge of Dorchester County but remains in Colleton County with access to the Colleton State Park (in Dorchester County), gas stations and fast food and the Circle Truck Plaza.

Utilities are mainly present at Exits 53, 57 and 62. There is little or no development directly off of Exits 62 and 68 making these areas prime locations for large wholesale trade, construction, and manufacturing facilities, but utilities would need to be present in order to attract those clusters to the exits.

Zone 4 is in close proximity to one small public airport, Hampton Varnville Airport (3J0) in addition to the larger Savannah/Hilton Head International Airport (SAV) and Charleston International Airports (CHS). Zone 4 also benefits from its proximity to the Charleston and Savannah ports.

The Colleton County Commerce Center is in its final development stage and should be heavily marketed since it has FTZ benefits (see Section A of this plan, Recommendation #6 for FTZ details and benefits) and occupies a prominent location along I-95. Distribution centers, construction, wholesale trade facilities, large warehouse facilities, and transportation/logistics companies would be compatible in Zone 4. Target companies importing and exporting perishable goods require direct access to air transportation and may require a FTZ and/or a cold storage warehouse facility making Zone 4 attractive.

Colleton County in conjunction with LCOG should market Zone 4 to the construction, wholesale trade, distribution center, transportation/logistics, manufacturing industry clusters. Access to the FTZ, ports and small local airports, well position this zone for easy transport and storage of materials and products.

Colleton County should target the following NAICS industries to locate in Zone 4:

- ◇ 42, 44-45 – Distribution/Logistics
 - Target company distribution/logistics emphasis to include:
 - Machinery
 - Electrical equipment
 - Appliances,
 - Transportation equipment
- ◇ 3219 – Wood product manufacturing (wood windows and doors, millwork, etc.)
 - Target companies may include:
 - Weaber Hardwoods
 - Pella Corporation
 - Fenway Holdings, LLC
- ◇ 3212 – Veneer, plywood and engineered wood product manufacturing (hardwood veneer, truss manufacturing, OSB, MDF, etc.)
 - Target companies may include:
 - Carpenter Components of America
 - Craftmaster Manufacturig, Inc.
 - Ameriwood Industries

- ◇ 3323 – Architectural and structural metals manufacturing (metal windows and doors, ornamental and architectural metal work, prefab metal building and components, etc.)
 - Target companies may include:
 - Kullman Industries, Inc.
 - Butler Manufacturing Company
 - Creation Group, Inc.
- ◇ 3362 – Motor vehicle body and trailer manufacturing (utility trailers, motor homes, campers, motor vehicle bodies and cabs, etc.)
 - Target companies may include:
 - Spartan Motors, Inc.
 - Edgerton Forge, Inc.
 - Pridgeon & Clay, Inc.
- ◇ 3363 – Motor vehicle parts manufacturing (gasoline engine and engine parts, vehicular lighting equipment, vehicle electrical and electronic equipment, break systems, transmission and power train parts, etc.)
 - Target companies may include:
 - Truck-Lite
 - Polaris Industries, Inc.
 - Pride Mobility Products Corp.
- ◇ 3261 – Plastics product manufacturing (floor coverings, pipe and fittings, building materials, packaging materials, countertops, plastic bottles, etc.)
 - Target companies may include:
 - Henkel Consumer Adhesives
 - Marshall Plastic Film
 - Toray Plastics America, Inc.



Beaufort County

As stated previously, Beaufort County boundaries are outside of the four I-95 economic diversification zones; however, Beaufort County has many locational and educational advantages to offer primary and secondary target companies. Prime target clusters include the medical/healthcare, software/hardware technology (for the hospitality and medical/healthcare industries), logistics and film production sectors. The County has made great progress over the years which is illustrated by the expansion of USCB and the new Keyserling Cancer Center and Cochrane Heart Center, both of which are affiliates of the Beaufort Memorial Hospital and Duke University Health System. In addition, the County possesses some schools that rank well on a state or national level. Beaufort High School was ranked in the top 1,000 public schools in the U.S. for their International Baccalaureate (IB) program and Bluffton has the most technologically advanced high school in the U.S. In addition, Beaufort High School's "Project Lead the Way" is well underway in the County. Beaufort High School was one of seven U.S. schools chosen to help develop a new health sciences curriculum that will be part of a national four-year high school program of instruction. Project Lead the Way will help build a new workforce specializing in the health sciences by preparing students for entry into college and university programs in order to achieve their career goals. Further, the Technical College of the Lowcountry also provides opportunities for students to gain skills in the computer technology, industrial technology, engineering technology, occupational technology, business, health sciences, and public service sectors along with the ability to transfer to senior colleges and universities. See Section D of this report for more details on the educational/workforce assets of the region.

Primary Target Clusters

Medical/Healthcare

Beaufort Memorial Hospital is located in the City of Beaufort, just minutes from the Keyserling Cancer Center in Port Royal. The location of these medical facilities makes the surrounding area an ideal location for additional target companies in the health and medical fields sector. The Beaufort Regional Chamber of Commerce is already working with a variety of organizations to enhance opportunities for healthcare occupations in the area. In addition, the quality of life and desirable K-12 public schools are located in the vicinity which will also help draw the necessary workforce to support these clusters.

Additional medical/healthcare companies focusing on medical technology may find it beneficial to locate in close proximity to the May River Technology Park in the Bluffton area, which is located at a midway point between the Hilton Head Regional Medical Center, the Bluffton-Okatie Outpatient Center near Sun City, Beaufort-Jasper-Hampton Comprehensive Health Services main clinic and the new Carolina Coastal Hospital, and between the facilities of Beaufort and Savannah. The Park is located off of Exit 8 in close proximity to Economic Diversification Zone 1. The new May River Technology Park (see Section A) may also aid in drawing in medical technology firms that could reap the benefits of the private sector contributions to the park including investments and quality

job opportunities. CareCore National LLC, a New York firm, specializing in medical diagnostic imaging technologies has set the stage by investing in the Tech Park as the first anchor tenant. Bluffton also provides a desirable quality of life including housing and public schools.

Software/Hardware Technologies

The May River Technology Park already has its first technology focused tenant, CareCore National LLC. Companies focusing on software/hardware technologies may also find it beneficial to locate in the May River Technology Park in order to build off of relationship synergies.

Hospitality and tourism play a large part in the Beaufort and Lowcountry economy. Drawing in companies that provide technology to this sector would be a perfect fit for the region since many of their clients would be located in close proximity and the area could offer a good “testing” ground for new product developments.

Logistics

Beaufort County and in particular USCB would be a prime location for a logistics institute (as previously recommended in Section A of the plan) with its proximity to local air, highway, rail lines, the Savannah and Charleston ports (and possible Jasper port) and major educational institutions including the University of South Carolina Beaufort North and South Campuses and the Technical College of the Lowcountry. See Section A, Recommendation #2 for additional details.

Film

The City and County of Beaufort also provide an abundance of scenery which has supported the production of many films in the past including *Forrest Gump* and *The Prince of Tides*. The City of Beaufort residents and the Beaufort Film Commission fully support additional production ventures and the establishment of a film studio in the area. BBP is recommending the former Battery Creek High School site (in Beaufort City) for the placement of a film production studio. This location will offer access to Beaufort City, Port Royal, historic homes and architecture, water front lots, plantations, a military presence, wooded areas, open fields and convenient highway access to I-95, US-21 and US-17. Hilton Head Island is easily accessible and offers additional locational advantages including, prestigious homes, upscale lodging, golf courses and a small airport serviced by US Air, a national airline company, with an increasing number of domestic flights. These advantages will provide additional scenery and shooting locations for the film studio as well as provide air access and accommodation for the actors and production teams.

Secondary Target Clusters

Beaufort County also has the necessary natural resources and locational advantages including major highway, air, rail and port access to attract the wood, veneer, and plastics manufacturing clusters as secondary target clusters.

These target clusters may find it beneficial to locate on or near the Beaufort County portion of US-17 which offers access to I-95, US-21 and Charleston including the port. There are plenty of growth opportunities on the US-17 corridor between Northern Beaufort County and Charleston. If necessary transportation recommendations are put into place and key nodes along US-17 (currently zoned as rural and community preservation) are rezoned for commercial use, this corridor will be a prime location for these target clusters. According to a Beaufort Gazette article on October 6, 2005, eight companies seeking a distribution center have already made contact with the County to look at potential sites. The article stated that the County is also working on additional initiatives including the expansion of existing multi-county partnerships to provide tax incentives for new businesses. Section B of this plan addresses additional business incentives.

The Beaufort County Industrial Park, which is already occupied by three major manufacturers (Minster Machine Company, CDR Pigments & Dispersions, Parker-Hannafin Racor Division for Filtration) and other small operations should be heavily marketed to the secondary target clusters (wood, veneer, plastics). These secondary target cluster operations would be compatible with the existing park tenants and could possibly benefit from cluster synergies. The park has approximately 200 acres of available land with utilities either in place or easily attainable which would make it attractive to these types of manufacturing companies. See *Appendix O* for a list of potential target companies.

Based on the above information, it is recommended that Beaufort County target the following primary and secondary industry clusters:

- ◇ Primary target clusters:
 - Medical/healthcare (i.e. NAICS 6215)
 - Logistics
 - 5121 – Motion picture and video industries (motion picture and video production, post production services, etc.) including the recommended film studio
- ◇ Secondary target clusters:
 - 3219 – Wood product manufacturing (wood windows and doors, millwork, etc.)

- 3212 – Veneer, plywood and engineered wood product manufacturing (hardwood veneer, truss manufacturing, OSB, MDF, etc.)
- 3261 – Plastics product manufacturing (floor coverings, pipe and fittings, building materials, packaging materials, countertops, plastic bottles, etc.)

3. FUTURE TARGETS

Recommendation 11: Explore the Opportunity of Attracting a Film Studio to the Region

businesses for economic
Film and television
business includes the

filming development of made-for-television movies, commercials, music videos, documentaries, television series and other types of entertainment.

BBP examined the feasibility of developing film production facilities in the Lowcountry. The study was in response to the newly-formed Beaufort Regional Film

Commission and the LCOG's advocacy of attracting permanent film and television production development.

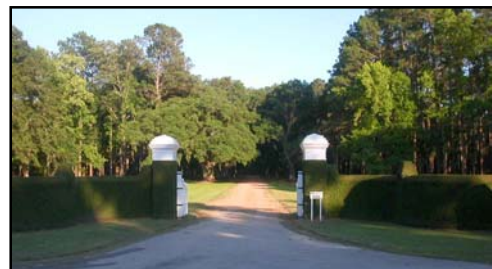
production
filming and post-



A host of factors exist that justify a plan to attract a permanent, private industry film studio facility to the Lowcountry region. These considerations include a rich history of regional success in this industry and the availability of a myriad of resources vital to the success of such a pursuit. Past success has been due to the region's available human, physical, and natural resources; technical resources from local educational institutions; and government resources, such as tax, grant, and rebate incentives available to the entertainment industry.

The feasibility study recommends the development of additional amenities in the Lowcountry region to compete with other major film production areas in the South Eastern U.S. Most important to attracting permanent, high-end film and television production is the development of a new complex that would hold multiple sound stages, production offices,

screening rooms, dressing rooms, vendor services, and warehouses for background materials and special effects. Multiple sites for the complex were considered, including the site of a former public high school that could be used as adaptive reuse. In-depth



financial analysis to determine applicable costs of construction, potential revenue and employment generated in Lowcountry, was also conducted as part of this study. The complete Film Studio Feasibility Study is included in this plan as *Appendix C*.

**Recommendation 12:
Update the Tri-
Command Reuse
Study if BRAC Actions
Occur in the Future**

BBP's Redevelopment Plan for the Tri-Command area in Beaufort County, SC was in response to Lowcountry's concern of a base closure or realignment of the three separate military installations. In March 2005, the process began of formulating base reuse options for the three military installations located on or between the Beaufort River and Broad River: the Beaufort Naval Hospital, Marine Corps Air Station (MCAS), and the Marine Corps Recruit Depot (MCRD) on Parris Island. Local planning officials, Enwright Associates and BBP

worked together in creating a development plan on all three sites that include a mix of uses, while preserving the area's character and strong military tradition.

The area encompassing Tri-Command's three installations holds a prominent place in the history of the United States military. The area has served as a Marine Corps base since 1891, and MCRD today is responsible for the training of all enlisted male Marines east of the Mississippi River and all enlisted female Marines in the US. The decades of military housing development that resulted has given the development study areas an inventory of numerous buildings of significant quality that can be preserved for reuse; many of which are on the National Register of Historic Places.

The Tri-Command Reuse Study incorporated such factors as: physical capabilities of each site, environmental issues and impact, market analysis (see *Appendix J*), infrastructure and needs assessment, financial analysis, economic impact and preliminary redevelopment recommendations. *Appendix Q* lists site development recommendations for each military installation.

The 2005 BRAC Commission findings concluded that all three military installations will remain open with no major realignments projected in the near future. The full Tri-Command Study is provided in *Appendix Q*.

These two future targets provide new diversification avenues for the Lowcountry. A film studio locating within the region would contribute greatly to the Lowcountry's economic diversification objectives by bringing hundreds of higher wage jobs and new industries to the four-county region.

Because the 2005 BRAC report did not affect the Tri-Command all three installations will remain open in the foreseeable future. The proposed reuse study included in *Appendix Q* should be maintained by the LCOG and updated in the future if BRAC, once again, becomes a threat.

Additional economic diversification tools and strategies relating to these future targets are recommended in Sections C and D of this plan followed by a detailed implementation plan in Section E.

C. ECONOMIC DIVERSIFICATION: GETTING ORGANIZED AND STARTED

1. ORGANIZATION AND APPROACH

Recommendation 13: Implement Cooperative Initiatives between Counties to Pursue Regional Economic Diversification Initiatives

Several of the previously mentioned programs will require greater cooperation between the LCOG and the four individual county governments to produce the best economic development efforts on a regional level. An open and frank meeting should occur with the LCOG, the Chairman of the Beaufort County Council, Chairman of the Colleton County Council, Chairman of the Hampton County Council, and the Chairman of the Jasper County Council, along with any others they deem appropriate, to discuss a merger of efforts in the form of an equal partnership. Strengths, weaknesses, opportunities, hurdles and threats should be discussed and a course of cultivation determined. If progress is made and a new approach emerges, then practical marketing steps can be easily developed.

The LCOG should not attempt economic development alone. It needs to form strategic visioning and managing partnerships with all the key players in a region (private sector, universities, labor, community organizations), and these partnerships need to cross local government boundaries. It no longer makes sense for municipalities in a region to fight each other for economic advantage. A true Lowcountry economic development effort should go forward to benefit the entire region.

Supporting regional economic development efforts does not necessarily mean unified consolidated regional governments or tax-sharing schemes. But it does mean much higher levels of collaboration.

Successful regions will create collaborative networks that craft and implement innovative solutions to policy problems, placing the public interest above a narrow interest in maintaining the status quo. The Lowcountry counties should develop creative regional economic strategies and build widespread consensus for action.

Recommendation 14: Appoint an Individual to be the Key Person for the Lowcountry's Economic Diversification Efforts

The LCOG should establish a full-time director of economic development. The director should be considered a key senior staff position with responsibilities directly reportable to the Executive Director. Ideally, the director should be familiar with the LCOG and the four county governments, have economic development and planning experience and be a well-respected professional able to work closely with the individual Chambers of Commerce, local organizations and state agencies.

The director should be aided by a full-time administrative assistant with marketing and publishing skills, and, at the outset, a part-time professional with economic development experience. Within two years, this part-time position should be converted into a full-time position, as additional funding sources are secured to assist the operation of the regional economic development office.

Recommendation 15: Build a Forward Lowcountry Alliance

In order to initiate a comprehensive marketing effort for the Lowcountry it may be desirable to build a *Forward Lowcountry Alliance*. This alliance would bring together the necessary organizations and resources to develop and sustain a long term collaborative effort whose purpose is to direct, support and promote positive development of the Lowcountry.

The initial meeting of the *Alliance* should include the following people and the organizations they represent: The four Chairmen of the Boards of individual County Commissioners, Mayors of individual significant independent municipal governments, key LCOG representatives (including the regional economic director), individual County Economic Development Directors, the Superintendents of area schools and the Presidents of the Chamber of Commerce.

The Lowcountry Economic Development Director should preside and ultimately manage the activities of the Alliance, but might wish to have a facilitator actually guide the initial discussion.

Beginning issues should include:

- Acknowledge and define the major issues that are facing the Lowcountry region with a consensus as to order of priority of importance or urgency
- Identify the roles various entities should take in bringing their own activities into alignment with the purposes of the *Alliance*

For example, Lowcountry county agencies and individual Chambers of Commerce might address specific elements of economic development including sites for commercial and industrial development, tourism, utilities, roads, sales teams and sales strategies. They may seek the advice and counsel of the South Carolina Department of Commerce, individual utility companies and others as defined or needed.

The Alliance should tap key leaders in government, business, labor, civic groups and higher education. The Alliance must possess a vision that demonstrates that they understand that Lowcountry's diverse economies, and it must also have a determination and real commitment to economic development. Its task would be to further assess the competitive position of the key industry clusters.

The Alliance should avoid a one size fits all strategy, and understand as thoroughly as possible the local economy, how it works, and its real environment. The Alliance needs to champion the expansion of an information superstructure that will facilitate this economic development, and should also have the responsibility to educate the local populace about economic development so that they can make informed judgments and decisions about economic development of the area.

Recommendation 16: Enhance Coordination with State Agencies in Contact with New Economic Development Prospects

The Lowcountry does not have one point person who co-ordinates activity between the individual Lowcountry counties and state regarding economic development. The LCOG economic development director should fulfill this void, particularly as the director will preside over the *Forward Lowcountry Alliance*. Instead, a variety of people from the individual Chambers of Commerce and four county development departments interact with the state. The state Department of Commerce funnels interested business entities to the area of the state they feel most closely matches the companies and state needs. In addition, the State Agency maintains a list of available sites for businesses.

Recommendation 17: Create a Business Ombudsman Program

To ensure business owners have an impartial resource through which they can file complaints or problems, a Business Ombudsman program should be established. The objective of this program would be to form relationships between residents, private and public partners, and individual Lowcountry governments to directly effect changes in the community. Beaufort County is an excellent example of how individual Lowcountry counties operate. Beaufort's economic development website lists several of the above services. An ombudsman, developed by the *Forward Lowcountry Alliance*, could provide a similar centralized service for the Lowcountry region. For more details on the Ombudsman program see *Appendix B*.

Recommendation 18: Establish Sales Teams for the Lowcountry

Lowcountry "sales teams" tailored to the type of prospect being pursued should meet with prospects who are considering a location or operation in the Lowcountry. These teams would provide prospects with marketing materials, site profiles, county contacts and any other information relevant to the prospects' visit or inquiries.

The *Forward Lowcountry Alliance* would coordinate the meetings, and arrange the composition of the sales teams. Members of these teams should include the regional and more than one county economic development director and two to four others selected from the business community on a case-by-case basis. The sales teams would also be responsible for establishing relationships with the state and others in the surrounding regions who are primary movers in the specific industry.

2. ADVOCACY FOR ECONOMIC DIVERSIFICATION

Recommendation 19: Focus on the Quality, Not Just the Quantity, of

For more than a generation, many economic development efforts by government have largely been on auto-pilot, relentlessly pursuing the goal of “getting big” and adding more jobs – whenever, wherever, whatever. It didn’t matter if the unemployment rate was low, if some parts of the jurisdiction were booming (with high housing prices and transportation congestion), or if the companies getting incentives provided low-paying, poor-quality jobs and were likely to leave for even greener pastures. The goal was often simple: the more jobs, the better.



But in many places, an approach focused almost exclusively on getting more jobs does little to help residents earn higher incomes and enjoy a better quality of life. The central focus of economic diversification in the Lowcountry should not be to simply add new jobs, but rather to boost incomes and create better jobs for all residents. To do this, the chief metric of success used today – job creation – should be replaced with a new one – income growth.

Shifting the goal from getting big to getting prosperous requires shifting the means from trying to get cheap to getting better. Past governmental efforts provided physical infrastructure for factories, gap financing for big industrial projects, and financial and tax incentives to cut the costs for industry. General business costs were kept as low as possible, even if it meant investing less in economic fundamentals like infrastructure and education and scrimping on programs like unemployment insurance.

But following a low-cost, recruitment strategy – cutting taxes and services or offering subsidies in hopes of making the Lowcountry attractive to companies – is not the path to raising wages and quality of life. Rather than simply trying to be a cheaper place in which to do business, the Lowcountry should focus on being a better place. This means boosting skills and ensuring a high quality of life that will be attractive to knowledge workers.

**Recommendation 20:
Organize the
Lowcountry's Business
Recruitment Program
around Target Clusters**

A cluster of firms, rather than an individual firm, is a much more logical point of economic diversification assistance. Working with entire clusters of firms is not only more cost effective, but also helps boost the synergies and cross-firm learning that can transform low-performing clusters into high-performing ones.

Again, the main target industry clusters for the Lowcountry are:

- Logistics/Distribution centers
- Health care/Medical
- Construction
- Wholesale trade
- Manufacturing

As a result, whenever possible the Lowcountry should work with entire clusters of firms. For example, the *Forward Lowcountry Alliance* should encourage funding of industry training programs in each of the four counties through groups of firms with the same skill needs, as opposed to making grants to individual firms. It should orient other programs, such as, business finance, business assistance, and technology improvement, around clusters. And to the extent that the state supports business recruitment, it too should compliment a cluster strategy. For example, Missouri is targeting efforts around life science clusters in St. Louis and Kansas City so that both major regions in the state reinforce each other.

**Recommendation 21:
Encourage New
Business Start Ups
through Potential
Industry Cluster
Synergy**

The Lowcountry - identified business clusters present opportunities for business recruitment not immediately obvious through industry overlap. An example of such an overlap is the connection between the medical/health care cluster and distribution centers. Distribution centers are important in any industry. However, they are especially vital in the medical device and diagnostic industry because health and equipment needs tend to be especially volatile. Unlike industries such as grocery or automotive, many medical device and diagnostic equipment

manufacturers don't have the luxury of serving a mass market. Orders are often smaller, more individualized, and more last-minute in nature than in other business sectors. Moreover, professionals working in the medical device industry can't as readily predict exactly where or when their materials will be needed. One logistics professional summed it up well when he said the word *emergency* is more likely to be applied to a medical device than to a toaster or box of cereal.

As a result, inventory-reducing techniques that lower or eliminate the need for distribution centers aren't really an option in this industry. Instead, manufacturers need distribution centers that offer optimal reach and flexibility. The Lowcountry's burgeoning health care field provides such an opportunity. The Lowcountry region's other identified clusters should present other opportunities for synergy, the *Forward Lowcountry Alliance* should encourage each of the four counties to identify these niche businesses to recruit and help develop area business sectors.

**Recommendation 22:
Communicate
Regularly with
Stakeholders and the
Public about Efforts of
Each County
Economic
Development
Department**

It is necessary to communicate regularly with stakeholders about economic development activities. This is particularly true as a large portion of work involving economic developers, especially in terms of working with existing businesses, is performed behind the scenes. Without this communication, it will be easy for residents to assume nothing is being done, and further hinder efforts in the Lowcountry to generate active support for the economic diversification program. The *Forward Lowcountry Alliance* should take the lead in

such communication.

Communication must convey what has been accomplished; what the Alliance, and its members including LCOG, has done to make it happen; and what the benefits are for the various stakeholders, including the general public. Among the steps to take in effectively communicating the Alliance's efforts are the following, with details of each step described in *Appendix B*:

- Identify internal and external stakeholders and determine information needs
- Determine the LCOG's needs for information from the stakeholders
- Update and expand distribution lists for communication
- Establish processes to support and assign responsibility for communication tasks
- Define vehicles for communications
- Conduct direct outreach to the community regarding the economic diversification effort

**Recommendation 23:
Develop a
Communications Plan
to Implement the
Economic
Diversification Plan**

In working to develop an economic diversification plan, LCOG and community leaders have engaged in a lengthy, intensive, and important process which marks a new beginning for economic development in the Lowcountry. The public must know about this initiative so that they can be aware of the actions of their government and can support those actions. A Plan developed by the *Forward Lowcountry Alliance* can double both as an introduction of the economic diversification plan, and an introduction of the Alliance.

Short-Term: Publicize the Plan

Key activities might include:

Presentations at community organization meetings -- a ready-to-go script, handouts, transparencies/slides and training should be provided to facilitate their presentations.

Media relations -- The media relations plan geared toward offering wide exposure of the economic diversification plan's components and benefits should be implemented. See *Appendix K*.

Distribute strategic plan highlights -- Make copies of key elements of the plan available upon request and/or through the new web site, as noted later in this document.

Demonstrate ongoing support -- Businesses are concerned that without visible support from elected officials, the economic diversification plan will neither attract broad-based support nor achieve the plan's goals. One proposed option is to have a vote every year on economic development priorities related to this plan by the LCOG Economic Development Director and individual County Commission Chairman. Whether this or another option is implemented, public commitment from Lowcountry elected officials is considered a priority by the business community.

Long-Term: Create a "scorecard" to track progress in Plan implementation

This would be a way to keep the strategic planning effort in the public eye. Major strategies supporting goals (for example, "Develop a communication plan." "Develop a website") would be listed in a table. Items would be checked off as they were implemented. The *Forward Lowcountry Alliance* would plan to periodically present its scorecard to the media and report on its progress. The scorecard could also be provided to other stakeholders, perhaps in an article for a periodic newsletter. When displaying the "score" and reporting on implementation progress, information can also be presented on Lowcountry economic development achievements. Providing information on current economic development achievements offers opportunities to reinforce the image of the Alliance as an active, effective advocate.

This approach admittedly could be a risky step, since expectations would be outlined and performance regularly assessed; failures to perform would be not only evident but also publicized. However, it would provide a means for performance appraisal, reassuring stakeholders who have given time and effort to participate in the strategic planning process, and wish to see fruits from their labor.

Recommendation 24: Build a Lowcountry Economic Development

Presently, no LCOG website exists to provide centralized information of the entire area. A future website should promote specific the unique resources of the Lowcountry as well as hyperlinks to information related to the activity or site.

This website should include the following among its listed information:

1. Include available site/building information in the Lowcountry by County
2. Hyperlink the State's website for Incentive Information and relevant programs
3. Hyperlink individual Chamber of Commerce websites and other County specific websites for additional community information
4. Hyperlink to other resources that will be of benefit to agencies at a state, federal, and non-profit level
5. Provide a location to download documents, guidebooks and economic development overviews, such as the Business Information Packet for New Business Prospects
6. Provide an overview and regular update of this Plan's implementation

Recommendation 25: Continue to Expand Communication with County Departments and Emphasize the Importance of their Work in Achieving the Lowcountry's Economic

It is critically important that the goals and objectives of relevant LCOG and county departments are consistent with those of the economic diversification strategic plan. Discrepancies may limit the departments from meeting and exceeding the expectations of their customers, i.e., prospective businesses and investors. The *Forward Lowcountry Alliance* can serve as an avenue to straighten out any discrepancies. As the *Alliance* encompasses many of the key Lowcountry economic development figures, its meetings should serve as point to refocus on

the goals and objectives of the economic diversification plan. In addition, regularly reviewing the progress towards achieving the economic development objectives and goals reiterates their importance.

Another method of securing such support is to encourage individual county departments to review, and possibly amend, their economic development plans to support the overall goals of Lowcountry economic growth. In establishing a regional comprehensive economic development strategy for an eight - county region in North Carolina, each county wrote local economic development plans to make sure their County's objectives met, and supported, the region's goals. The described area of North Carolina was able to garner individual county support by building citizen investment for the project. Numerous focus groups, surveys of citizens and pursuit of good ideas derived through this plan before unveiling led to such firm support. When the program was finally unveiled, over 900 citizens attended an economic development plan rollout party.

**Recommendation 26:
Develop Advocates
for Economic
Development in the
Lowcountry Region**

Many individuals and entities directly and indirectly affect, and are affected by, the economic development effort. There must be a solid base of advocates for economic development in the community for ultimate success for many reasons. For example, relocating businesses obtain input from a variety of public and private organizations when making their location decisions. Further, the *Forward Lowcountry Alliance* needs support from the community when executive decisions are being made about resource allocation from

individual local governments regarding the economic diversification plan. Finally, the Alliance's efforts can only be of assistance if businesses choose to participate in its efforts, active advocates can increase such participation.

Large commitments are not required from all advocates – nor are they reasonable to expect. Rather, the Alliance should have a set of strategies appropriate to different types of advocates and their varying levels of support. First, the number of community members who actively oppose initiatives should be understood. Then, there should be a core that supports economic development, and can be called upon to assist in times of need. There should also be several strong advocates who are ongoing active leaders working regularly in conjunction with the Alliance.

To encourage support, strategies should ensure that stakeholders know about the benefits of economic development and the specific activities of the Alliance and each of the four county economic development departments. Second, the Alliance must create opportunities for supporters of economic development to become active advocates.

Recommendation 27: Establish Formal Roles for Advocates

The previous communication strategies are designed to create general support among a broad range of people. There will still be a need for a limited number of active advocates that the Forward Lowcountry Alliance can regularly call on for assistance with confidence they will respond. Knowing that they have some responsibility for the economic diversification effort's success should motivate these advocates to take on increased responsibility when a need arises. The Alliance would coordinate such efforts with the program being accounted for in any future budget proposals. Another benefit of "enrolling" these individuals would be that these advocates can serve as powerful representatives of the Alliance outside formal government activities.

The level of activity will likely be relatively low at first, but will grow over time as the programs become more established. The types of roles for these programs are: Business Liaisons; LCOG Ambassadors for trade shows, prospect visits or regional meetings; and

Advisory Committee Members/Advisors. Greater detail for these roles, and methods to ascertain, train and retain these volunteers are in *Appendix B*.

Recommendation 28: Recognize the Contributions of Advocates

Advocates who actively support economic diversification efforts but receive no recognition for their work are unlikely to remain active participants for long; they will focus on other initiatives for which their contributions are recognized. Recognition programs are usually inexpensive but still achieve great impact: while recognizing and retaining supporters, they present to the community evidence that economic diversification efforts are happening and that efforts are worth supporting, thus garnering even more community support.

3. EXPANSION OF EXISTING BUSINESSES

Recommendation 29: Hold a Series of Focus Groups with Existing Businesses to Ascertain Key Issues and Determine Growth Potential Obstacles

Knowledge of business concerns and issues is another key in developing the most successful Lowcountry business environment. The *Forward Lowcountry Alliance* or its designated representative should hold a series of focus groups or help administer surveys of area businesses. Gathering information allows the Lowcountry to pinpoint measures that may help a large swath of entities.

Focus groups can be held along a variety of lines: by industry, size or location. The resulting information gathered can lead to an understanding of future employer needs and existing obstacles. For example:

- Are the skills of job seekers sufficient?
- Are businesses growing and seeking additional space outside the Lowcountry?
- Is there sufficient access to capital?
- Are businesses growing or shrinking in a particular sector?

The transmittal of such information, and concrete follow-up, can spur programs to remove growth obstacles and initiatives to increase government responsiveness.

Recommendation 30: Host a Summit of Banks to Discuss Community Development

A summit between local banks can advance the economic health and development of the Lowcountry. A meeting of area banks can provide synergy in establishing partnerships for community loan funds, and also communicate to the four county governments any assistance needed in becoming eligible for various federal and state programs.

The City of Bowling Green, KY, organized local banks in their area to discuss the potential for establishing a new Community Development Financial Institution. In Wilmington, DE, the North 4th Street Loan Program was established to educate the North 4th Street community about the availability of funds for economic development in the downtown area and specifically along North Fourth Street.

The Community Reinvestment Act may also serve as a unique opportunity to spur business in the Lowcountry. In 1977, Congress enacted the Community Reinvestment Act to encourage federally insured banks and thrifts to meet the credit needs of their entire community, including low- and moderate-income residents. While this program was originally designed for areas not fully associated with the Lowcountry (inner cities), there are ways other jurisdictions have used this legislation to its advantage. Sacramento County in California established a county based program to spur bank investment through its Linked Deposits Program. The program rewards banks for their involvement in providing charitable donations, banking services, and credit to low and moderate income neighborhoods in the County. The bank's reward is the direct placement of public deposits from the County's pooled investment fund with a banks. Innovative motivational tools involving County resources and area banks may provide additional incentive to spur investment in the Lowcountry.

**Recommendation 31:
Enhance a Reputation
for Providing a "Good
Customer Service" Focus
in Order to Foster the Best
Business Climate Possible**

The business climate goal is critical to the success of an overall economic diversification strategic plan. If the goal of creating a quality business environment is to be achieved and its concomitant benefits realized, it will be necessary to continue to dedicate appropriate resources to address the issues noted by the business community highlighted during stakeholder interviews and the community forums. In the short term, these resources should be geared toward gaining a better understanding of what improvements will yield the most benefits.

Going forward, additional resources will be needed to implement those strategies.

The *Forward Lowcountry Alliance* should encourage each county's economic development department to consider:

- digitizing information for easier and faster access, and making it available on a future website
- providing additional support to "counter clerks" – the front line of customer service: counter clerks should be knowledgeable in providing, or directing inquiries to, the source of economic development information requested, along with making professionals/technicians readily available to support the counter clerks
- defining expectations: informing customers up front how the process works, what their responsibilities are, and what the *Alliance's* responsibilities are

differentiating among customer types to recognize the need for varying levels of service

Recommendation 32: Expand Information Packets Available for Business

To encourage entrepreneurs in the Lowcountry, a comprehensive start-up kit should be offered. In various communities, local economic development departments or the local Chamber of Commerce usually provides them. In the Lowcountry, a good source of initial information is available through the USCB Small Business Development Center such as information booklets on developing business plans. These booklets detail the government obligations a business will be under, and steps advised to increase the chance of success. However, these booklets are not available online nor does the Small Business Development Center (SBDC) provide a local overview of the Lowcountry development process.

Individual counties in the Lowcountry are making strides to having such a resource available. As an example, the Colleton Economic Development Department lists “Coming Soon” under its Visitor Guide link for a business packet. The LCOG should encourage local economic development departments to coordinate with the SBDC in developing a comprehensive business kit combining resources and knowledge. In conjunction with the SBDC booklets on general new business management, an improved start up kit for business prospects could then include an overview of development and permit processes in their county’s. Further, such a total start up kit should be made available in all mediums, including on-line through the SBDC, individual county economic development, and the new LCOG and *Forward Lowcountry Alliance* websites.

A business start- up kit for the entire Lowcountry would help further brand the region, and improve the efficiency of companies looking to invest in the area. Further, in deciding where to locate a business, advanced marketing can catch the eye of a prospective new company early enough to spur continued interest and eventual success. Such a marketing/information tool produced for the entire Lowcountry area can aid in future economic diversification success.

Recommendation 33: Create a Resources Directory of Economic Development Organizations Complete with Website Links to Aid Regional Economic Diversification Efforts

Various communities have used different titles on their web pages to provide an informative link to aid prospective businesses in becoming successful, such as “business assistance”, “related links” and “resources”. While some of the Lowcountry counties, notably Beaufort and Hampton, provide links to outside departments, these sites can be further expanded to additionally assist prospective businesses. As an example, a direct link to publications by the South Carolina Department of Commerce such as “Resource Guide to Business”, “Starting a Business in South Carolina” and “South Carolina Business Incentives” can be of immediate assistance to interested parties. In addition, the LCOG and *Forward Lowcountry Alliance* website should provide similar services, and also link to each county’s web page. A successful example is detailed in *Appendix B*.

**Recommendation 34:
Encourage Sector
Networking through
the Chambers of
Commerce**

A network of local businesses organized by business type should be created to provide an organized exchange of information, concepts, and ideas between common businesses. While each Lowcountry county has its own chamber of commerce, a summit or meeting of all Lowcountry Chambers of Commerce and their representative businesses could spur such networking. Currently, a “Business After Hours” meeting is planned between the Jasper Chamber of Commerce and the Beaufort Chamber of Commerce. Such efforts should be

expanded to include all four counties.

While these events present an opportunity for members of the business community to interact, more specific events would increase the opportunity for communication between closely related groups. Holding “sector networking” meetings could include meetings of just area bank representatives and businesses employing under 25 employees, or seminars by bank representatives on small business loans. These meetings would provide a greater opportunity to facilitate information exchanges between parties of interest.

Further, additional opportunities to meet the Lowcountry’s local SCORE representative could further assist business. A resource partner with the US Small Business Administration, SCORE is a nonprofit association dedicated to assisting small businesses on a variety of questions. In fiscal year 2004, SCORE volunteers spent nearly 1.4 million hours helping entrepreneurs. The Greater Beaufort-Hilton Head Economic Partnership already lists the local SCORE representative office under their “Contacts / Business Resource Guide” on their webpage, and includes them in local seminars. Further incorporation of SCORE representatives throughout the Lowcountry through continued seminars and workshops could be set up along business sectors to further assist the region’s businesses.

**Recommendation 35: Conduct Periodic Reviews of the Lowcountry’s
Overall Business Climate Relative to Surrounding Jurisdictions**

The Lowcountry tax burden remains relatively low and the regulatory environment is not problematic for most businesses. It is a worthwhile exercise, however, to conduct periodic reviews of the competitive environment in other jurisdictions to understand if and how the Lowcountry’s relative status may change over time.

The *Forward Lowcountry Alliance* could conduct an annual or biannual benchmark of tax rates and fees, permit processes, website reviews, approved development projects, and infrastructure improvements to monitor changes in competitor locations and identify opportunities or potential threats. This data can be used as part of the marketing/promotion effort (if it remains positive) or to identify further actions the area may take (if problems are identified in the future). To the extent the Lowcountry begins

to compete with different state regions, it will also become necessary to understand regulatory differences among other localities.

A performance tracking and monitoring system could also allow the Lowcountry's performance to be compared with other organizations performing similar functions and processes. Consequently, the Lowcountry's performance goals will not only be internally established, but also be in line with the other four county local governments. As appropriate, improvements in performance and specific success stories should be conveyed to customers both within and outside Lowcountry governments. This could be achieved through a periodic report card that monitors and "grades" performance in a number of key areas.

Recommendation 36: Establish a "Business Retention and Growth

The *Forward Lowcountry Alliance* should establish a "Business Retention and Growth Program" designed to retain existing businesses and to attract new development. This program, in concert with other measures such as an Ombudsman program, could not only assist new business seeking development opportunities, but also help current businesses perhaps seek new avenues to expand. Increased communication and networking among banks, businesses, Chambers of Commerce, and sector networking meetings and seminars will foster greater responsiveness.

While a larger city, the Yonkers, NY economic retention program provides several examples relevant to the Lowcountry. Yonkers emphasizes that its economic development division "works closely with the Yonkers Chamber of Commerce, the local banking community, the utility companies, the various service companies and the not for profits in evaluating needs of the business community." Yonkers assigns a team dedicated to visiting local businesses and assessing needs.

A survey of businesses can identify local business needs as well. Such surveying can discover businesses needs regarding expansion:

- is their expansion pushing them outside the Lowcountry?
- do workforce skills match?
- are Lowcountry regulations understandable?

With a growth hurdle identified, a vibrant active business network of public and private entities can then work in coordination to develop measures to solve the problem. Ascertaining the correct information and discovering and addressing potential issues before businesses relocate for greater space, skilled work, or government incentives can provide the difference in vibrant communities. See *Appendix L* for information on how a community can measure local business growth.

Recommendation 37: Encourage Development of Small Business Purchasing

Insurance purchasing pools stand as an additional way to potentially aid small businesses in the Lowcountry. Currently, the Chambers of Commerce of Beaufort and Colleton offer health insurance and general insurance programs to their members, the Chambers of Commerce of Hampton and Jasper Counties do not. Purchasing pools allow small businesses to buy insurance together, thus generating some of the advantages enjoyed by large companies such as economies of scale and negotiating power. While a small company purchasing insurance on its own could see its premiums rise from a catastrophic illness, in a larger pool group the impact on premiums would be spread out. The pools also cut administrative costs. Through economies of scales, administrative costs can be reduced “from 30 and 40 percent of premiums at small companies, versus 8 to 10 percent at bigger ones.” Further, purchasing pools allow a choice of plans not usually offered to a single, small business purchaser.

Various entities can sponsor purchasing pools from state agencies to private non-profits to some Chambers of Commerce. HealthPass in New York demonstrates how an insurance purchase pool can operate. With HealthPass, a company employee can choose from the six carriers and 28 benefit options. The rates vary based on the plan design and coverage level chosen, and range from under \$200 - \$1,500.

Recommendation 38: Promote/Provide Recognition of Local Entrepreneur Success

An “Economic Diversification Volunteer of the Year” should be awarded annually by the *Forward Lowcountry Alliance* to an individual whose efforts have resulted in a major contribution to the positive growth of the Lowcountry’s economic base and in a substantial impact on the citizens of the community. The recipient should be someone who has made great efforts to advance in the mission to “create an environment that allows business to succeed and the Lowcountry community to prosper.”

The criteria for the award could include:

- the volunteer exhibits tremendous efforts for the community’s economic development program
- volunteer contributions may be one-time efforts; however, more emphasis is given to an individual that has consistently worked to promote the Lowcountry
- involvement in other community organizations is viewed as additional consideration for the award, but is not a requirement
- the individual should be honored for efforts that have come to fruition and impacted the community within the six to twelve months directly preceding the year in which they are being honored

This award serves to not only provide continued motivation for volunteers in the community but, also further publicizes economic diversification achievements in the Lowcountry.

**Recommendation 39:
Establish a Leadership
Lowcountry Group for
New Young Business
Leaders**

The *Forward Lowcountry Alliance* or the combined Chambers of Commerce should foster a platform for young area business leaders to connect and grow as economic development in Lowcountry advances. A designated entity could contribute to accomplish this by bringing together young professionals at luncheon seminars with keynote speakers including successful business leaders, and at other regularly scheduled events. Through these meetings, area business leaders may make connections to expand their enterprises and learn techniques to survive the early years of business so they may eventually contribute to a continued healthy Lowcountry economic environment. No set age exists for defining a “new” business leader; the goal of establishing such a group is to further networking and professional development throughout the Lowcountry. Both of these objectives can further healthy economic development within the region.

**Recommendation 40: Encourage and Develop the Business Expertise of
Experienced Lowcountry Residents to Pass On to Future Successful
Enterprises**

By connecting young business owners and entrepreneurs with established and successful entrepreneurs in the community, knowledge can be transferred and passed on to aid other businesses. The SCORE Association is a national nonprofit association dedicated to entrepreneurial education and the formation, growth and success of small businesses nationwide. It is a national network of 10,500 retired and working volunteers experienced entrepreneurs and corporate managers/executives. Their volunteers provide free business counseling and advice as a public service to all types of businesses, in all stages of development. A regional office is located in Hilton Head. A link to the SCORE office in Hilton Head should be added to all Lowcountry economic development websites as an available resource.

Further, some communities turn not just to those retired to mentor businesses in their area. The Gainesville, FL, Chamber of Commerce established a mentoring program between new businesses and current owners. The Chamber connects volunteer mentors with volunteer protégés who are both Chamber members. The Chamber maintains guidelines for mentors that apply. They must be at least a business owner, chief executive officer or senior executive for at least five years, and be willing to donate an average of two hours per month for a minimum of two years. The Chamber touts this program as beneficial to both parties. The protégés receive advice and guidance while the mentors often find they can use their protégés for sounding boards for new ideas. By

working with protégés through their problems, they often discover answers to their own business issues.

Recommendation 41: Establish a Business Visitation Program

The purposes of a business visitation program are to maintain regular communications and to establish positive relationships with local businesses. The business visitation program is a follow up to initial focus group meetings to ensure that feedback and needs expressed by area businesses are being acted upon. Business retention and expansion programs are a fundamental aspect of economic development. If a community's existing businesses are strong and providing jobs, most of the broader economic, social, and community objectives of an economic diversification effort are more easily achieved.

For this initiative to work, it is vital that the *Forward Lowcountry Alliance* have the will and the resources to follow-up on problems individual businesses identify, as well as persistent issues that affect a broad set of businesses (and target industry clusters).



Short-Term Action Steps

a. Conduct site visits with existing Lowcountry businesses

It is important to try to visit the major businesses in the community in person. Physically going to their facility immediately provides some insight into how their businesses are run, which is valuable information. It also demonstrates the *Alliance's* interest in working with them on their terms. Visitation programs solicit information about the problems and concerns of individual businesses and attempt to identify company specific and area-wide barriers to further business expansion. The *Alliance* should ask about the companies' operations and identify specific barriers to progress that may be directly attributable to local government conditions and/or policies.



b. Develop a list of companies in the community to be the focus of outreach

Create a working list of 10-20 companies that will receive in-person site visits. These companies should include major employers and representatives of key industry groups (such as those that the Lowcountry want to attract more of in the future). A list of 10-20 companies suggests an average of 1-2 site visits per month. This list will likely evolve and expand over time and should be reviewed on at least an annual basis. Beyond this base, following up with companies that

leave the Lowcountry in order to understand their reasons for relocating is highly recommended.

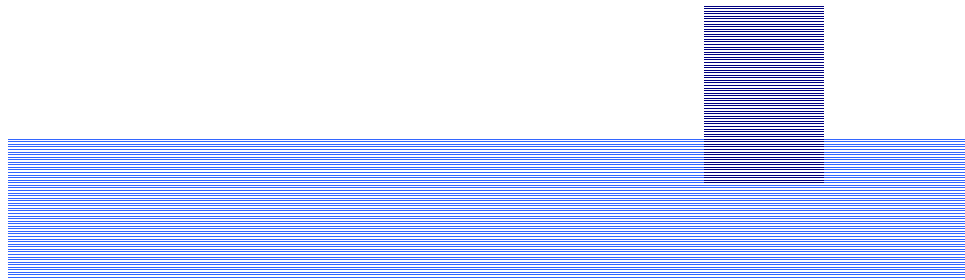
Long-Term Action Steps

a. Conduct an annual survey

In conjunction with the site visits, a more formal survey of businesses may be conducted to elicit opinions about major issues. The survey should be sent to a broader group of businesses than will be able to be covered through the visitation program. The survey will also be an important evaluation tool for understanding business perceptions of the effectiveness of the economic development program.

b. Provide for ongoing evaluation of the business visitation program

It is important to evaluate the benefits to both the businesses and the Alliance of the visitation program. Because it is a time consuming effort, it should be determined whether sufficient gains are achieved for both parties. After a two-year period, the Alliance should assess the need to continue, expand or contract the program.



D. FRAMEWORK FOR NEW ECONOMIC DEVELOPMENT

1. EXPAND REGIONAL ASSETS

Recommendation 42: Create an Electronic Database of Available Sites to Promote New Economic Development Projects

An electronic database of available sites for lease and/or sale should be maintained and distributed to business prospects. The regularly updated database should include site profile criteria such as: location, size, infrastructure, what current structures are located on the site, current zoning classification, access points to major highways and current use. Currently, Beaufort, Colleton and Hampton counties are providing this kind of information on their economic development websites.

Further, the South Carolina Department of Commerce also has a web-enabled system (www.callsouthcarolina.com/avail_sites.aspx) whereby prospects can search online for available buildings and sites. This website allows prospects to search for available sites and buildings in the state of South Carolina. It is suggested that LCOG and the *Forward Lowcountry Alliance* link to this site and also develop a similar database for the four - county region.

Recommendation 43: Utilize Existing Rail Service to Further Economic Diversification and Attract Additional Companies that Can Benefit from the Rail Service

South Carolina boasts a 2,600-mile railroad network. Seaboard System Railroad (CSX Corp.) and Norfolk-Southern Railroad Corporation, serve nearly all of the U.S. from South Carolina. These systems form one of the most heavily concentrated networks of railroads in the Southeastern U.S. Additionally, nine affiliated lines provide cargo shipment and passenger service in the state. South Carolina's network of over 2,000 miles of track facilitates rail service from almost every county within the state. Seaboard Coastline Railroad (CSX) provides rail freight service to Colleton, Hampton and Jasper counties and Amtrak passenger service is available in the town of Yemassee.



Rail service can and does benefit industries identified as strong clusters within the Lowcountry, particularly in supplying retail, forestry, manufacturing and construction. Distribution centers would also greatly benefit from rail access. The *Forward Lowcountry Alliance* should encourage each county's economic development department to carefully identify its industries and examine how/if enhanced

rail service could lead to job generation. In many cases this means helping natural resource-based industries develop new products and adopt new production processes.

Recommendation 44 : Promote the Lowcountry's Proximity to Several Airports

The *Forward Lowcountry Alliance* should take advantage of its proximity to several airports in the region in its marketing. Below is a list of the nearby international and regional airports:

- Savannah/Hilton Head International Airport (45 miles from Beaufort)
- Charleston International Airport (65 miles from Beaufort)
- Lowcountry Regional Airport (Colleton County)

Promoting air service in and around the vicinity of Lowcountry should be highlighted when attracting potential businesses reliant on such services. The LCOG should also encourage each county's economic development department to demonstrate to potential businesses how air service can be combined with Lowcountry's access to major highways and railroads, to promote productivity and future economic growth.

Recommendation 45: Implement the Regional Transportation Plan

Transportation improvements are a top priority in the Lowcountry Region. LCOG devised a Long-Term Regional Transportation Planning and Work Program. This work program supports a multi-modal strategy to include the following:

- ◇ Economic and land use development
- ◇ Short-term improvements and long-term problem-solving strategies
- ◇ Freight transportation planning
- ◇ Public transit planning
- ◇ Safety/fatal accident prevention
- ◇ Environmental issues
- ◇ Public and stakeholder involvement in the planning process

The six key components are further detailed in the Work Program plan in *Appendix H*. We believe this program will benefit the region, its residents and business community and recommend pursuing this long-term plan.



**Recommendation
46: Move Forward
with the Highway 17
Resolution – Highway
64 Option**

Colleton County Resolution No. 05-R-114 (*Appendix V*) was adopted on August 22, 2005 to support a solution to the traffic safety concerns on Highway 17 to include consideration of the Highway 64 option. We recommend the County push forward with the following three resolution suggestions:



- ◇ Support the widening of US-17 only if no public funds of any kind are used to purchase, construct, or otherwise obtain buffers, and no additional access restrictions are imposed
- ◇ Support the Highway 64 Option
 - Four-laning SC Route 64 from Jacksonboro to Robertson Boulevard in Walterboro
 - Use STIP funds to defray construction costs
 - Four-laning Robertson Boulevard from Highway 64 to Jefferies Boulevard (Highway 15)
 - Four-laning McLeod Boulevard from Highway 15 to I-95 as an image corridor with landscaped medians, providing a four-land connector from I-95 to the Colleton County Commerce Center, the Lowcountry Regional Airport, and the Airport Industrial Park to the State Ports Authority and the industrialized north area of Charleston County
 - Complete portion of Robertson Boulevard between Highway 64 (Hampton Drive) and SC Route 303 (Green Pond Road); completion of its extension across the Ireland Creek drainage area to Mable T. Willis Boulevard to connect with the four-land SC Highway 63
- ◇ Use available resources to assist the SCDOT and other agencies/organizations to move the project forward

Implementing these recommendations will provide an efficient route for truck traffic and create an economic diversification stimulus by enhancing transportation from Charleston to I-95 through the Lowcountry region to Savannah and Atlanta, Georgia. These improvements will be a key marketing tool in attracting the target clusters not only to Colleton County but to the entire Lowcountry region.

Recommendation 47: Enhance the Lowcountry's Technology

As the Lowcountry continues to shape its economic development efforts, it must not overlook the importance of continuing to enhance its overall technology capacity across the region. Without continued investment in Information Technology (IT), the entire Lowcountry will not be able to attract and retain new business investment and growth.

To accomplish this goal, the *Forward Lowcountry Allinace* should encourage each county's economic development department to strive to develop initiatives focused on the continued investment in computers, software, Internet connections, and professional development programs in public schools and community college locations. The Lowcountry has seen great strides in its technology capacity over recent years. The University of South Carolina Beaufort has recently opened a technologically advanced campus complete with networked classrooms and computer labs. The Technical College of the Lowcountry is planning a new campus that will feature one large tiered-classroom, four advanced technology classrooms, seven technical and computer laboratories, as well as student services areas. The facility will open by August of 2006. In addition, the Bill and Melinda Gates foundation has provided grants for high speed internet at public libraries at all four Lowcountry counties.

The Alliance or individual county sponsored initiatives can continue to drive further investment in IT. This investment will lead to additional education that is technology-rich and provides both students and community members with the opportunities to learn using the latest network connections. Businesses will have increased opportunity to utilize IT to innovate in areas such as production and marketing. In addition, individual county offices will benefit from the IT by providing efficiencies in responding to the community's needs.

Further, some areas of the Lowcountry have excellent cellular coverage. The Greater Beaufort Hilton Head Economic Partnership boasts of universal mobile phone coverage. However, as with any process, improvement is the key. The greatest obstacle facing continued cellular service expansion throughout the area is community education. Concerns arise when a community only sees a cell tower as visual nuisance in their community. This concern manifests itself in campaigns that slow down cell tower development and ultimately inhibit service. Before submission of a respective permit, individual County departments and potential developer should hold a series of meetings or seminars with the neighborhood and local area in question to alleviate misconceptions and discuss benefits. Such background information, community education and open dialogue should lessen resistance and expedite the development process.

The LCOG should ensure that the following opportunities for IT growth continue:

- Encourage donations by local business of computers for use in public schools
- Expand the technology training curriculum for Lowcountry teachers
- Partner with communities and volunteers to develop community locations providing no-cost Internet access and computer-training opportunities to the public
- Support Lowcountry-sponsored volunteer programs to teach people how to use communications technology
- Support use of technology tools to assist in the facilitation of Lowcountry public school curriculum



Recommendation 48:
Expand Fiber Optic
and DSL Capabilities
Throughout the
Lowcountry,
Particularly along I-95

The information technology revolution allows an increasing share of economic activities to remain functionally close (to customers, suppliers, and other parts of an organization) while becoming more physically distant. But for this to work, places need access to broadband telecommunications. As a result, the Lowcountry should continue working with telecommunications providers to ensure that all parts of the region have high speed broadband connections, particularly for businesses.

Providing Lowcountry residents and businesses with the technology they need to more effectively run their businesses, expand the local economy and build a stronger community relies on the expansion of fiber optic and DSL capabilities along I-95. Expanding high-speed Internet access will provide businesses and residents with the capability to increase efficiency in numerous areas such as: finding local employment, starting and managing new businesses, developing and learning IT skills, and accessing government services.

In addition to providing Lowcountry's businesses and residents with high-speed access, the LCOG may also receive an added benefit in the form of reduced costs for IT services. As the Lowcountry's IT capabilities expand, the use of public-private partnerships to develop the needed infrastructure should be considered. Through these partnerships, individual counties can provide access to public rights-of-way allowing technology companies to install the infrastructure necessary for enhanced technology to Lowcountry residents and businesses. Businesses would then provide the Lowcountry with reduced or no cost IT services in exchange for the right-of-way use.

The state can do several things to help facilitate the rollout of broadband, including reducing the rights-of-way charges and taxes it levies on providers. For example, the Michigan Senate has passed legislation that would preempt local authorities over rights-of-way for telecommunications use and reduce the fees that could be charged for access to those rights of way, while giving telecom providers tax credits for rights-of-ways fees.

The state could also fund a regional effort to aggregate demand for broadband along I-95. One reason why telecom providers have been slow to build out broadband to more rural communities is that the costs are higher and the revenues lower. When aggregated from government, education, and large business users, broadband demand in many rural areas can make investments pay off.

2. WORKFORCE TRAINING & EDUCATION

**Recommendation 49:
Ensure Funding for
Workforce
Development Training
and Program
Innovation Continues
to Grow at All
Education Levels**

LCOG Workforce Investment Area (WIA)

The LCOG Workforce Investment Area (WIA) stands as an excellent example of an initiative to develop the future Lowcountry workforce. The WIA is currently implementing an Alliance Health Care Program at the local high school level. Presentations have been made to the area's students to provide them with the information about the Lowcountry's health care industry and the amount of jobs available. Further, the WIA provide job specific training for prospective employees and provides work shops and programs pertaining to work ethic and appearance in order to aid them in performing to the level expected by employers. Funding for such continued programs should be lobbied for, and expanded, to develop the area's workforce.

Further, the LCOG WIA department also works to improve the Lowcountry workforce through institutions outside the four Lowcountry counties. The Department works with the Orangeburg-Calhoun Technical College and Trident Technical College even though neither is located within the Lowcountry. However, these institutions provide co-operative programs within the Lowcountry related to identified Lowcountry clusters. The Orangeburg-Calhoun and Trident Technical Colleges both have education and work force development programs in the fields of health care and industrial trucking. These programs assist in developing the Lowcountry workforce in the identified clusters of health care, and transportation and warehousing. In addition, other continuing education courses available in the region will support identified industry clusters, courses in: building and construction, and real estate. Highlighting this program through the *Forward Lowcountry Alliance's* will assist in ensuring continued funding.

Secondary Career Education

There are two career centers in the region that provide programs for the Lowcountry youth that partially specialize trades that can be used to enter the work force or gain experience through a specific program before entering a post secondary educational institution.

Beaufort Jasper Academy of Career Excellence offers programs for students in the two counties in: Health and Human Services, Pre-Engineering, and Tourism and Recreation. The Thunderbolt Career Academy in Colleton County offers the courses for Colleton area high school students including: Culinary Arts, Drafting, Engineering, Health Science (linkage to TCL Alliance Health Care Programs), Machine Tool Technology, Masonry and Welding Technology. The Alliance should encourage funding for these continued activities.

Lowcountry Technical Colleges

The Technical College of the Lowcountry, located in Beaufort County, has as its specific mission the education of the region's workforce. The college prepares graduates for careers in computer technology, industrial technology, engineering technology, occupational technology, business, health sciences, and public service along with the ability to transfer to senior colleges and universities. As part of its mission, the college serves as an effective partner in the economic and human resource development of the Lowcountry. With specific businesses and industries the college composes tailored contract courses and continuing education to meet the workforce needs of the Lowcountry.

The college coordinates state economic and development programs and services for current, expanding and new companies. These programs can assist the growth potential of identified Lowcountry industry clusters. The college's nursing programs have been designed to develop needed professionals for the region's growing health care sector, an identified industry cluster. The program provides for not only classroom knowledge but a co-operative or intern experience as well. Nursing internships through the college can be completed at any of the local medical institutions in the region.

The Lowcountry region is also able to tap into other local educational programs beneficial to identified Lowcountry clusters. Over the next two years the college will be designing programs to assist in the Lowcountry's construction cluster. Continued support in lobbying efforts to secure current, and additional, funding for these programs will only deepen the human resource pool of the Lowcountry.

Lowcountry 4-Year Institution Resources

The University of South Carolina—Beaufort offers a variety of educational opportunities to develop the skills of the Lowcountry workforce. In addition to an array of standard bachelor and graduate degrees, USC Beaufort's continuing education program is able to assist various businesses with their workforce development. Further, in part due to LCOG's initiative in Economic Diversification, USC Beaufort is now in the preliminary

planning stages for a freight transportation/logistics major and, eventually, research institute or center. LCOG met with relevant senior officials to inform them of the oncoming need to provide such training to aid the communities developing industries. Such coordination demonstrates the potential of bringing all of the Lowcountry's resources into action if properly informed and motivated.

The Lowcountry also has branches of Webster University, Park University and Embry-Riddle Aeronautical University. All three campuses offer degrees in business management/administration, while Park and Webster universities also offer degrees in health care management and computer information systems.

**Recommendation 50:
Offer Financial
Incentives to Local
College Students in
Career Training
Programs**

Compensation to community college students is a complex undertaking. Students range in age from those just out of high school to adults with many years of experience seeking to upgrade their skills or enhance their career opportunities. Helping technical and community college students financially recognizes the importance of integrating learning with practice. It also enhances their work experiences and eases their entry into the workforce, into a career or into a promotion or comparable goal. Students can be provided financing that

range from scholarships to loans. Scholarships and fellowships are defined as financial aid paid directly to students as scholarships, fellowships, stipends, or dependent allowances. Salaries and wages charged to sponsored agreements are paid to students who function as college employees while attending school. Other compensation for assigned work can take several forms. They could be in the form of apprenticeships, co-operative work-study arrangements with a company or industry, or summer internships. For further details on such programs, see *Appendix B*.

Recommendation 51: Explore Potential State Programs for Company Training

The Center for Accelerated Technology Training (CATT) program is South Carolina's employment training resource for companies locating or expanding within the state. CATT recruits, screens, and provides short-term training of individuals for specific job assignments with new and expanding businesses and industry, typically at no cost to the company. Custom training programs are provided to actively prepare a trained workforce for positions within the facility and are often conducted in close proximity to the facility or on-site at the new facility itself.

Recommendation 52: Expand and Develop Incumbent Worker Training

Incumbent worker training programs should be designed to encourage firms to become learning organizations. The LCOG currently contributes, in part, to the Lowcountry

workforce skills through its Workforce Investment Area, discussed earlier. In addition, many states spend a large share of the training funds on so-called “quick response” training that largely serves as a retention or attraction subsidy to individual companies. Incumbent worker training programs need to do more than simply train workers; they need to help firms become ongoing learning organizations. Programs can do this by requiring firms receiving assistance to develop long-term work-based training plans and by encouraging continuing investments by the employer in training. For example, Louisiana requires a firm to engage in a detailed planning process as part of submitting a training grant proposal and allows the training program to be up to two years in length. Both aspects support the firm in thinking about an overall training plan for the firm, not just the immediate training problems. Such programs should be encouraged to continue the development of the Lowcountry’s workforce to its full potential.

Further, the Federal Workforce Investment Act, as administered by an appropriate state agency, provides grant funding for customized training for existing private sector businesses. It enables companies to effectively retain and stay competitive by upgrading skills training for existing full-time employees. Businesses may use public, private or its own in-house training staff. Companies must demonstrate financial viability and in most states be current on all state tax obligations. The types of training are varied and include industry or company specific skills, technical and computer skills, and what are generally thought of as soft skills, i.e. leadership, teamwork, management skills.

Recommendation 53: Create Regional Skills Alliances

A Regional Skills Alliance (RSA) is an industry led consortium of organizations or companies whereby knowledge and resources are shared to develop long term solutions to chronic workforce development issues, e.g. obstacles keeping young people and others out of certain occupations, retrieving professionals or other skilled persons not currently working in their respective fields, developing better trained entrants into the labor force, providing a sufficient flow of new workers for hard-to fill jobs, and reducing turnover.

A variation on the RSA is a community consortium formed to address local workforce needs. The consortium generally consists of individual member organizations such as local businesses, community colleges, business and trade associations, chambers of commerce, unions, community based organizations, and an intermediary or convening organization, and school districts. The consortium is based on cooperative relationships among community organizations rather than on formal agreements. Examples of such consortia exist in Austin, TX, Cedar Rapids, IA, Charlotte, NC, and Milwaukee WI. For greater details on Regional Skills Alliances and an Example, please see *Appendix B*.

Recommendation 54: Organize a “Learning Store”

In most places it’s extremely difficult for the average citizen to locate publicly supported workforce development programs. To correct this, the *Forward Lowcountry Alliance*, with the help of the state, might find it advisable to create easy-to-find “Learning Stores”

located where people typically go (e.g., shopping malls, public libraries). In some cases, this may be as easy as expanding elements from an on-site "one-stop" workforce centers to smaller, satellite locations in easily available places.

Individuals should be able to enter a learning store and consult with a learning specialist and/or get self-service at a kiosk to: access relevant labor market information, including growing occupational categories and their skill requirements; find out how to assess their skills; locate courses, degree programs, and certificate programs in the occupations/skills they are interested in; and determine the financial assistance for which they qualify.

3. AFFORDABLE HOUSING AND TRANSPORTATION

Recommendation 55: Promote Workforce Availability Measures

As businesses establish themselves and grow in the Lowcountry, a total program to maintain an available workforce must be addressed. This program should address transportation, housing and daycare concerns.

Public Transportation Benefits/ Needs

The LCOG completed a study, with assistance from the South Carolina Department of Transportation, in May 2003 on a public transportation overview of the Lowcountry. The LCOG is currently receiving funding to plan and implement its recommendations. Among the study's main recommendations were:

- Regional rideshare and vanpool program;
- Main line service along the US 278 corridor in Southern Beaufort County;
- Connector service in main travel corridors linking to the US 278 main line service;
- Distributor service into key areas, such as City of Beaufort, Bluffton, and Hilton Head Island;
- A Regional Transportation Management Association (RTMA) to guide the implementation of the new services and strategies.

As an example of the steps being taken to implement this plan, a Van Pool Commuting Pilot Project will have vans in place by fall 2005 through funding from SCDOT and the Hilton Head Island Foundation. For further details of the May 2003 Public Transportation study, see *Appendix H*.

Present Public Transportation Presently and Report Recommendations

Presently, the Lowcountry Regional Transportation Authority (LRTA) is the public transportation authority for the region. Through it and its predecessor, the Beaufort-Jasper Regional Transportation Authority, it has operated Lowcountry public transit service for nearly 30 years. The LRTA provides nine routes throughout the Lowcountry, with two lines going into Hampton County and one into Jasper County. In addition, Amtrak and Greyhound provide limited service to the area. Hilton Head Island stands as the end destination for seven of the bus routes offered by the LRTA bus service.

The May 2003 study noted, “An expanded role for transit in the region’s transportation system is supported by a diverse group of stakeholders and emerged as a key recommendation.” Among the recommendations the study put forth were: regional rideshare and vanpool program, connector service in main travel corridors linking to the US 278 main line service, distributor service into key areas such as City of Beaufort, Bluffton, and Hilton Head Island, and out of region service to Charleston and Savannah, Georgia.

Affordable Housing

In addition to costs associated with going to work, adequate affordable housing issues should be addressed at this time. Although poverty rates have fallen in the Lowcountry, and incomes have risen, significant segments of the population still must be accounted for through affordable housing. The Counties of Colleton, Jasper and Hampton all have poverty rates above the state average. Individual counties are taking steps to answer this challenge. In 2004, the Beaufort County Council established an Affordable Housing Consortium. The consortium is a collection of more than 80 public, private and nonprofit groups interested in fostering affordable and workforce housing in the county. In addition, the Beaufort Regional Chamber of Commerce has initiated an effort to improve the housing affordability for health care employees. The *Forward Lowcountry Alliance* should encourage the expansion, and coordination of such efforts, throughout the Lowcountry.

Several programs exist to spur development of adequate housing for all levels of Lowcountry residents. The South Carolina State Housing Finance and Development Authority is available as a resource to dissect numerous programs available to both private developers in securing loans and tax credits, and programs for individual home buyers and renters. Grants and loan programs exist for affordable single family construction to affordable multifamily rental construction, rental assistance and even market rate single family construction. In addition, the State runs a bond program to secure loans for multi-family development. LCOG’s Community and Economic Development department is currently participating in these programs and has started a regional affordable housing initiative. These measures are of particular importance as natural market forces cater to the affluent population migrating to parts of the Lowcountry, as evidenced by recent census trends.

Daycare

In addition to transit and housing, the Lowcountry should be cognizant of daycare availability. Awareness and continued support of current centers will aid the Lowcountry workforce and in the end aid business as well. One avenue to ensure such centers continue can be accomplished through discussions of various potential incentives with the prospective business. As the Lowcountry engages in due diligence analysis of potential incentives, benefits to workers should be analyzed as well. Securing on-site

daycare or partnerships with local private day care centers will aid workforce availability, and the overall health of the local economic environment as well.

4. INCENTIVES

**Recommendation 56:
Adopt Policy
Statements to Guide
Actions When
Incentives are
Requested**

The *Forward Lowcountry Alliance* should adopt policy statements to provide a basis for individual county officials to consider site-specific incentives and regulatory variances. Policy statements should identify:

- where the Alliance wishes to encourage development that is in the best interest of the region
- what types of development the Alliance wishes to encourage
- types of specific allowances the Alliance will consider

Potential actions to further strengthen incentives in the Lowcountry region can be grouped in to short-term and long-term actions. In the short term, the *Alliance* should focus on those actions that will encourage development along I-95. Those policy statements will then provide additional direction for property owners, developers, LCOG staff and individual county officials with regard to allowable and desired growth in the Lowcountry.

**Recommendation 57:
Complete a Due
Diligence Analysis
before Offering
Incentives**

Incentives to recruit companies to the Lowcountry should not put existing companies and/or taxpayers at a competitive disadvantage in any part of the state. The *Forward Lowcountry Alliance* should encourage each county's economic development department's to utilize incentives only after due diligence is complete. Lowcountry counties should only offer incentives where good business practices have been engaged to support the decision (Return on Investment, partner analysis, credit-worthiness, economic impact). See *Appendix E* for

examples of available due diligence analytical tools.

The potential exists for the Alliance and individual counties to extrapolate expertise in analyzing information on a periodic basis by utilizing the University of South Carolina-Beaufort, located in Beaufort County. It is of particular importance not to hinder or impact business throughout the state or other regions. The Lowcountry must maintain a strong relationship with state agencies and surrounding governments to pursue other economic diversification goals.

**Recommendation 58:
Develop a Grant
Program to Subsidize
Economic
Diversification That
Meets Criteria
Established by the
“Forward Lowcountry
Alliance”**

If the Lowcountry gives companies, it should at least higher standard of living. It states to provide incentives to lower than the median wage. *Alliance*, and all county department's, should tie so that if a certain share of a below a certain level, they are

A grant program to subsidize development criteria established by the Forward Lowcountry Alliance should be formulated. This program would be a written contractual incentive grant awarded by the Alliance, or designated local agency, with a new or existing business development. Each agreement would be on an individual basis, but would adhere to the overall structure of the grant program.

**Recommendation 59:
Make Incentives
Contingent on Higher
Wages, and Establish
“Clawback” Policies**

public money to expect it to lead to a is not uncommon for firms paying wages much The *Forward Lowcountry* economic development incentives to a wage floor company's jobs pay not eligible for incentives.

Opponents complain that such provisions will deter companies from locating in these states. But in many cases incentives don't swing the decision, and even if they did, does the Lowcountry really want to spend money to lower their standard of living? By focusing incentives on firms with higher paying jobs, the Alliance will take seriously the effort to raise incomes. For specific examples of such policies in practice, please see *Appendix B*.

**Recommendation 60:
Develop a
Lowcountry
Handbook Defining
the County Permit
Process Step-By-Step**

A development process overview handbook to the permit process in all four counties, provided by *Forward Lowcountry Alliance*, can improve efficiency while saving the customer and local governments time and money. A detailed development handbook providing basic step-by-step information would reduce questions received by staff, freeing time for concrete review and analysis, and enable customers to gather necessary information before submitting applications.

Many cities are publishing booklets and brochures guiding customers through the land use and construction process. The City of Pinecrest, FL, has available a 24-page booklet, outlining frequently asked questions (When and Why a Variance is Needed), a schedule of critical dates (Application Deadlines/ Planning Commission Meetings), a chart showing who reviews an application (Planning/ Fire/Building), a fee schedule, and required forms. Pinecrest makes this available on their website, while other municipalities provide an e-mail for handbook requests.

Recommendation 61: Create “One Stop” Licensing and Permitting for New Business

A “One-Stop Shop” business center established at the *Forward Lowcountry Alliance* is another avenue to improve the overall Lowcountry business environment, while preserving the regulatory function’s mandated by each county and individual jurisdiction. The center would decrease time between project conception to completion, improve process clarity, and decrease costs to business and government by providing a single place to obtain development information on the regulatory processes in each county. Further, the Alliance should encourage each individual county to implement workshop recommendations to improve the business climate such as: eliminating development fees and business licensing fees; “fast-tracking” and making vacant buildings and land available for temporary offices, storage.

Some cities, such as Tulsa, OK, have established a physical center for a one-stop permit and licensing. The center houses representatives of various city departments such as neighborhood inspections, business licenses, and zoning. A “One-Start Center” can also conduct project review meetings allowing businesses to move quickly through the development review process. A virtual, web based “One-Stop Center” can be equally as effective. Such a site would include the aforementioned Development Overview Handbook, downloadable applications, contacts, and be linked from the local economic development pages. The Economic Development site for the City of Owensboro, KY, demonstrates one approach. This site walks entities through a series of questions like “will your business be operating in Owensboro or the County?” or “will you be using a new or established building?”, and links the user to the correct document. A virtual centralized information center for all four of the Lowcountry counties can assist potential business interests in the bringing development that will help the entire region.

Recommendation 62: Establish Special Utility Rates for Uses Generating New Desirable Jobs in the Lowcountry Region

Utility rate incentives could serve as an additional way to attract and retain businesses in the Lowcountry. Currently, the State of South Carolina has the 13th lowest electrical utility rate cost, with nearby states ranked 23rd (Georgia), 16th (Tennessee) and 29th (North Carolina), respectively. Adjusting utility rates further can reduce business operating costs, aid a county’s attractiveness, or remove business expansion hurdles. The resulting active business environment can further prevent rate increases for remaining customers otherwise needed through business loss.

Recommendation 63: Establish Tax Allocation Districts (TAD’s) Along I-

Tax Allocation Districts fund additional infrastructure needs. A tax allocation district (TAD), also known as a tax increment-financing district, is a local financial tool used to redevelop urban areas. It gives cities and counties additional powers to form partnerships

with private enterprise without having to create new or increased taxes for the community.

Tax increment financing (TIF) allows jurisdictions to create special districts and to make public improvements within those districts that will generate private-sector development. During the development period, the tax base is frozen at the predevelopment level. Property taxes continue to be paid, but taxes derived from increases in assessed values (the tax increment) resulting from new development either go into a special fund created to retire bonds issued to originate the development, or leverage future growth in the district. The formulation of TIF districts should be considered along I-95 where new development may occur. For specific details regarding a TIF District please see Appendix B.

**Recommendation 64:
Tap, and continue
use, of eligible State
Tax Incentive and
Grant Programs**

South Carolina offers a variety of tax and grant programs available to spur economic development throughout the state. Currently, businesses in the area participate in some tax credit programs, and work with the state to improve these programs.

Among the tax credits offered are those for:

- Investment in infrastructure development
 - For location within an Economic Impact Zone
 - Investment in research and development
- Creation of jobs for eligible businesses.

Through participation of such programs, ways to improve the system can be discovered and state legislators lobbied. Currently, area entities are lobbying the state regarding their participation in the job creation tax credit incentive. Area stakeholders noticed that Beaufort County loses out due a tax credit being based on per capita income, (which is the highest in the state because of retirement income on Hilton Head) rather than on wages and salaries (which are lower than the state average). Such participation, vigilance and refinement will aid further Lowcountry economic development.

Further, South Carolina offers a variety of grant programs to foster economic development. These programs include the Rural Infrastructure Fund (RIF), which the LCOG currently participates in, and various economic development bond programs offered by the state. For further, details on South Carolina tax credit and bond programs please see *Appendix B*.

**Recommendation 65:
Encourage
Lowcountry
Jurisdictions to
Examine the Merits of
a Build-to-Suit
Program**

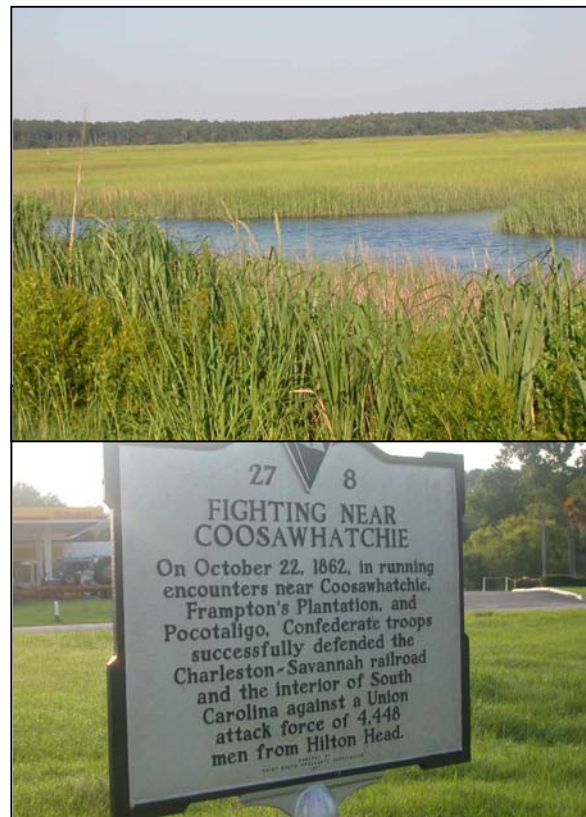
In a build-to-suit program, a landlord could construct a building to a business' specifications on public land. By assuming construction responsibility, the landlord retains greater control over development, while building efficiently through an existing knowledge of local construction practices and permit requirements. The

resulting development of properties at reduced rates and time increases the attractiveness of barren locations to potential businesses. The landlord then leases the property to a business in question. A landlord can also renovate an existing property and make it available to a specific entity. Care should be exercised not to compete with private enterprises willing to make similar investments.

Several communities use build-to-suit programs to attract new businesses and jobs. Since its inception in 1981, Pueblo, Colorado's Build-to-Suit program has been responsible for the creation of 14,000 jobs. An attraction to businesses is how efficiently a partnership with the community can result in ready to go work space. Recently, Pueblo developed 200,000 square feet of industrial park space in 60 days. Companies qualify for this program through using the facilities for the creation of jobs at a certain income level. Pueblo funds their program through a sales tax passed by the voters.

Recommendation 66: Promote Incentives to Attract Film Production Studios to the Lowcountry

The State of South Carolina actively provides incentives to strengthen the state's film industry. The Lowcountry has a history of attracting film productions to its region to strengthen the local economy. As outlined in Basile Baumann Prost & Associates, Inc.'s, "Feasibility of Development of Film Studio Production and Post-Production in the Lowcountry Region" study, several incentives exist to attract overall film industry development. These film production incentives are detailed further in *Appendix C* and *Appendix T* – Film Making Incentive Resolution would be a good starting point for the Lowcountry.



**Recommendation 67:
Encourage Lower
Income Entrepreneurs
to Start Small
Businesses in
Identified**

Micro-enterprise programs reflect the notion that for some low income people, access to technical training and small amounts of capital can help them start small businesses. Two-thirds of businesses in the U.S. start with less than \$10,000 in capital, usually from family sources. However, for minorities, women and low income entrepreneurs, access to family capital is limited. These entrepreneurs often are considered too risky for regular banks. Small businesses support local services and provide a sense of community – building social

capital as well as economic and physical infrastructure.

Micro-enterprise programs recognize that fledging entrepreneurs need more than credit. Training and technical assistance are key components of these programs (how to develop a business plan, assessing entrepreneurial readiness), as well as efforts to enhance access to markets through joint marketing, participation in trade shows and incubators. Emphasis is also given to asset development, both financial (understanding banking and savings principles, insurance and tax law) and social (networks, support groups, understanding of local economic and political structures).

One criticism of micro-enterprise programs is that the businesses are too small to yield a living wage and too unstable to provide an effective escape from poverty. Most small businesses fail in the first five years and for micro-enterprises the failure rates may be even higher. Some argue that the loans are too small to help the businesses achieve the scale they need to succeed. Asset requirements, while small, may still exceed those of the poor – especially those who can not afford to take large risks. However, the need to promote asset ownership among residents in low income communities is how widely recognized and local governments can craft economic programs to support this. Asset ownership helps residents develop a stronger stake in their communities which promotes economic and political development.

**Recommendation 68:
Ensure Local Banks
Fully Participate in U.S.
Small Business
Administration (SBA)
Programs**

The United States Small Business Administration (SBA) provides loans to small businesses for a variety of needs. Nearly 20 million small businesses have received direct or indirect help from SBA programs since its establishment in 1953. SBA's current business loan portfolio of roughly 219,000 loans worth more than \$45 billion makes it the largest single financial backer of U.S. businesses in the nation. The definition of a small business varies from industry to industry as defined by the Small Business Act.

Lowcountry businesses may be able to benefit from a variety of loan programs available through the Small Business Administration. While there are several diverse programs available, the following provides a basic overview of most basic loans offered.

**Recommendation 69:
Encourage More
Banks to Participate in
Other Community
Development Loan
Programs to Aid the
Expansion of Existing
Business**

Capital is critical for economic development, especially in distressed areas where conventional lending is limited. Many local governments operate their own community development loan funds, using them to recycle Community Development Block Grant monies or other federal and state subsidiaries. Such funds can be critical in providing seed financing for main street revitalization programs, micro-enterprise programs or other local small business development.

**Recommendation 70:
Define where Final
Negotiating Authority
Lies, and Be Clear
with Prospects**

A structure in which a political entity has final approval over certain incentives is not uncommon. Many organizations include this check on the process. However, these boards/leadership generally do not involve themselves in negotiations with the prospect, leaving that element to the economic development professionals. In fact, many incentives are applied to all companies that meet the established criteria, eliminating the need for this oversight. Other incentives are discretionary and tend to have a heavy political element.

It is important to clarify the process both internally and externally for prospects to avoid confusion over responsibility and authority. The final negotiating authority is expected to continue to rest with the individual Counties and that their County Commissioners will be the entity that will commit County resources in an incentive package. While this strategy is not recommending one approach over another, it does recognize that the incentive negotiating function and authority effectively rests with individual County leadership.

Recommendation 71: Perform Ongoing Benchmarking of Incentives

To be competitive, it is necessary to monitor, through benchmarking, the incentive programs in other communities. Measures that should be benchmarked, to the extent that information is available, include type and size of incentives available and offered, companies that are offered incentives, companies that expand and relocate into competing regions, and types of requirements and clawback provisions used. Through this benchmarking, the *Forward Lowcountry Alliance* can ascertain best practices for offering incentives, i.e., what incentives are attracting the types of businesses desired by the Lowcountry and also assess the competitive position of Lowcountry's incentive program relative to competing communities.

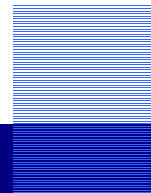
5. MARKETING

Recommendation 72: Create a Single Depository of Factual, Pertinent and Up-to- Date Information

In order to improve the effectiveness and accessibility of information about the Lowcountry region, its activities and future projects, a single designated highly visual location is needed. The *Forward Lowcountry Alliance* of LCOG office could provide this service but the existing visibility and accessibility needs improvement. A future *Alliance* or LCOG website may provide such an opportunity.

Recommendation 73: Establish a Formal System to Track Marketing

An economic impact study of the activities, events, businesses and promotional efforts should be completed on an annual basis to determine and understand which activities are actually impacting the economic diversification of the Lowcountry. This effort will require the development of visitor's surveys, business ownership surveys, and an examination of the past economic performances in relationship to future economic performances. In this way, it can be determined which efforts and/or program are actually creating a stronger diversified economy within the Lowcountry.



Recommendation 74: Promote a New Business Attraction Brand/Profile

The development of a logo and slogan is needed to begin marketing with business prospects. A recommended logo concept would be to modify the current Lowcountry logo. A recommended modified logo would include:

- turning the long looping Lowcountry “L” into an area that incorporates the four-pronged transportation logistics theme
- a cargo plane approaching the Lowcountry “y”
- a freight truck, floating cargo ship and a train would be inside the looping “L” with all transport heading in the same direction



A recommended slogan for the region could be “The Lowcountry-the Logical Choice”.

These efforts may require the assistance of a professional marketing firm, outside specialist and/or graphic artist. To increase brand recognition we would recommend distributing marketing collateral to:

- Business prospects
- Local officials
- Economic development and planning personnel,
- Lowcountry individual economic development members
- Chamber of Commerce members

See *Appendix K* – Media Relations Plan for additional marketing information.

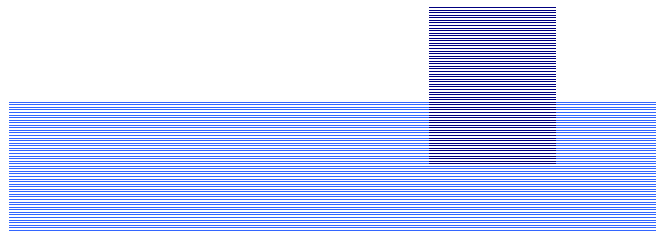
**Recommendation 75:
Deliver Marketing
Ideas to More
Newspapers and
Magazines**

Alliance should start attending conferences and target industry clusters strong personal presence, information handouts and building on previous LCOG showcase the Lowcountry economic prospects that the place to conduct business. In efforts should even include specific international trade shows given the increasingly-global marketplace within which business is conducted.

A comprehensive plan of action including specifically stated goals and performance objectives as well as named resources and targeted markets is to be developed within one year. This delivery plan must include examples for how the Lowcountry will position itself to capture additional business prospects as well as identify itself as a unique opportunity within the region.

**Recommendation 76:
Attend Conferences
and Trade Shows in
the Target Industry
Clusters**

The *Forward Lowcountry* budgeting for and trade shows geared to the identified in this Plan. A coupled with the types of packets described herein, products, would attributes and to impress Lowcountry is a fine five years, these outreach



E. IMPLEMENTATION PLAN



1. INITIATIVES

1.1 Approach

The true value of any plan or strategy is found in its implementation. This is not to say that a plan is not a success unless every recommendation is put into action. One of the reasons for this is it is likely that, even within a relatively short time, economic, political and other conditions in the Lowcountry, South Carolina, the US and the world will change in unforeseen ways so as to make it extremely difficult to fulfill all of this plan's components and strategies.

During the past 11 months, BBP has worked closely with the LCOG and the four county economic development leaders to compose an economic diversification plan for the region. The driving objective of this plan is to generate sustainable economic growth with jobs paying at least the average weekly South Carolina wage rate.

Based on extensive research, BBP developed a series of recommendations to accomplish this objective. All recommendations offered in this report are both (1) sustainable (creating consistent long-term economic growth in a non-damaging way) and (2) strategic (tailored and coordinated for meeting the regions long-term objectives).

Recommendations fall into two categories: internal initiatives to make Lowcountry a better place to live and work; and, external initiatives to communicate the Lowcountry's attributes to target industries.

The immediate emphasis of this implementation plan will be on establishing the mechanisms and procedures that will enable the Lowcountry's key economic diversification goals to be met over the next few months or years. LCOG has already allocated an amount in its FY '06 budget to enable this plans short-term recommendations.

1.2 Internal Initiatives

This project is just the beginning of a long-term economic development effort. Upon its completion, the LCOG and the four county economic development leaders should begin internally organizing for the initiative, with the following goals:

- To generate optimism about the Lowcountry's potential
- To create general knowledge about the region's economic assets
- To "speak in one voice" – region-wide use of a single marketing theme and message

- To commence activities that will increase the Lowcountry's competitiveness for target industries

Prior to launching an external effort to promote the Lowcountry to its target audiences, the communities must be prepared internally to deliver on its marketing promises. The counties must be able to show prospective businesses, entrepreneurs and the workforce that it is actively engaged in programs to improve the region's business climate and liveability.

While this plan contains many recommended internal activities, several surface as being essential to the success of an economic development campaign:

1. Create a *Forward Lowcountry Alliance* to implement regional economic development initiatives
2. Aid the *Alliance* with LCOG staff who can provide a focused point of contact for the region
3. Aim economic development activities at five specific target industry clusters
4. Involve education, media and private sector entities in economic development
5. Commit to a single marketing theme, logo and message directed at target audiences
6. Engage in activities that nourish a high quality of life for residents and workers
7. Focus workforce development on meeting the occupational skills demands of target industries
8. Improve the Lowcountry's land stock by expanding infrastructure to support new development along I-95

Techniques for accomplishing the recommendations listed above are outlined later in this section of the plan and in *Appendix U – Action Plan*.

1.3 External Initiatives

The internal initiatives summarized above are aimed, in the short-term, for readying the Lowcountry for marketing to its target audiences. In the long-term, the recommendations will sustain the region's ability to recruit, retain and start businesses in targeted industries.

External initiatives recommended in this report are predominantly aimed at communicating the Lowcountry region's strengths to its target audiences. They also include efforts to legislatively improve the state's business climate and generate state and federal funding for internal activities.

Though this report touches on many external recommendations, it is recommended that LCOG and the four-county economic development leaders prioritize the following three:

1. Create a single presence for regional economic development marketing and recruitment efforts
2. Create a single Lowcountry website as the portal for economic development marketing and information

3. Organize regularly scheduled marketing missions with the *Forward Lowcountry Alliance*, the four county Chambers of Commerce and the four county economic development directors

1.4 Conclusion

Economic development requires a long-term vision. To be successful, commitment to the activities described in this plan must transcend jurisdictional boundaries and all four counties must be active participants. The emphasis on internal marketing at the launch of the economic development campaign is oriented at increasing community support to a level that will sustain the initiative for many years to come. Success may not come immediately, but it's future prospects are greatly enhanced if the region implements the strategies and recommendations included in this plan.

At the start of the plan, BBP found the Lowcountry without a unified economic development vision. Interviews and focus groups revealed an overall excitement at the potential of development in the four counties, especially along I-95. However, economic development activities lacked coordination and little marketing of the region was taking place.



BBP also discovered a region steeped in natural resources, history and desirable demographics. Through discussions with local businesses and individuals, BBP discovered that the Lowcountry region's location ideally positions the area to take advantage of a four-pronged transportation/logistics approach incorporating air, rail, major highways and ports. These marketable qualities, if built upon, can strongly compete for high-impact businesses.

The preparation of this plan has engaged many Lowcountry establishments – from public officials, to educators, private sector executives and the media. It is time for the Lowcountry region to look optimistically to the future. The communities must continue to engage in a concerted economic development effort to enhance the region's economy. Each county will play an important economic development part with clear-cut economic development department roles to help prevent counter-productive competition among the four counties.

The Lowcountry has the locational advantage, community support and natural resources desired by businesses that require advanced logistics and accessible transport options. If these attributes are successfully built upon, as recommended in this plan, the region will experience enhanced economic growth and prosperity.

2. PREPARING FOR IMPLEMENTATION

2.1 Political Support

The very first priority, in terms of both importance and timing, is obtaining the political support of all four counties as well as many municipalities as possible within the Lowcountry. While staff involvement is important in the day-to-day implementation of recommendations and while relevant senior staff should be informed in detail, experience in both the Lowcountry and elsewhere has shown that solid county and municipal council endorsement must come first before anything else can take place.

Support to be sought should take the form of council endorsement as well as commitment to help fund plan implementation. As a result, councils should be presented with estimates for both short-term and long-term implementation activities. It will be possible, nevertheless, for a jurisdiction to provide only council endorsement without accompanying financial support.

In practical terms, this approach could take the form of preliminary presentations of the findings and recommendations of the “Lowcountry Economic Diversification Plan” to relevant committees or members of council in each jurisdiction. Official endorsements by those sub-organizations will then move the “Strategy” support resolution and accompanying funding recommendations/ordinance on through the requisite readings by the respective councils. These actions should be the responsibility of LCOG and the four county economic development organizations.

Implementation of the recommendations in this economic diversification plan will require a coordinated effort; this is also a very significant part of implementing the plan. It is expected that the four counties and the Hilton Head-Bluffton Chambers of Commerce will play strong supporting, if not leading, roles in this initiative. As a result, relevant committees and/or Boards of Directors of the five Chambers should receive presentations as soon as possible so that they can officially endorse the plan and, at the same time, determine the functions they are willing and able to undertake in the implementation of the “Plan.”

Given the part that banks already play in the Lowcountry’s economic development and the larger responsibilities some wish to undertake, they should also be brought in as soon as possible, as should the major public utility (including railroads) providers and also the real estate industry, including major commercial/industrial brokers from Columbia, Charleston and Savannah (a number of whom have already opened branch offices in the Lowcountry).

In the six months following the completion of the Lowcountry Economic Diversification Plan, the newly-formed *Forward Lowcountry Alliance* should work together to oversee the implementation of the pre-launch activities. The *Forward Lowcountry Alliance* should include economic development representatives from the LCOG, Beaufort County, Colleton County, Hampton County, Jasper County, the Chambers of Commerce, the

school systems and the general business community. In addition, the *Forward Lowcountry Alliance*'s responsibilities should include:

- Assigning realistic deadlines for the activities recommended in this Implementation Plan
- Assigning, among themselves the responsibility for each pre-launch activity
- Identifying the recommendations that require public policy changes and alerting local legislators
- Organizing a region-wide economic development event
- Involving and obtaining support from civic and business groups (such as Rotary and Kiwanis)
- Developing action plans for every six months of the plan.

See *Appendix U* – Action Plan for additional implementation details.

2.2 Implementation Timeline

Month 1	Months 1-3	Months 1-6	Month 6	Months 6+
Completion of the Lowcountry Economic Diversification Plan	Assemble the <i>Forward Lowcountry Alliance</i>	Pre-launch activities including obtaining political support from county and municipal councils	Economic development event	Launch economic development initiative

Once assembled, the *Forward Lowcountry Alliance* should meet on a monthly basis.

The activities of the first six months will be critical to the future success of the economic development initiative recommended in this plan. Pre-launch activities are designed to show the Lowcountry communities evidence that the plan is being implemented while preparing for a full-scale economic development campaign.

The tasks of the *Forward Lowcountry Alliance* should fall into the following categories:

<i>Forward Lowcountry Alliance</i> responsibilities:	Land Use, Transportation & Logistics	Workforce/ Education	Marketing	Fundraising
Proposed leadership	Lowcountry ED, LCOG, Four County Economic Development Directors, Representatives from Lowcountry utility providers	Lowcountry ED, LCOG, Four County Chambers of Commerce, School Systems	Lowcountry ED, LCOG Four County Chambers of Commerce	Lowcountry ED, LCOG, Four County Chambers of Commerce, General Business Representatives from each County
Areas of responsibility (recommendations related to...)	Identify issues relating to development of sites for business use and necessary utilities	Workforce development; primary and secondary education; entrepreneurship education; organizing young professionals' and entrepreneurs' associations	Creating logo and marketing images; creating a marketing website; contacting industry "champions"; grassroots marketing efforts; promoting Lowcountry	Generating in-kind or financial support from the business community for a new economic development initiative

2.3 Pre-Launch Activities

Months 1-6

- Build a *Forward Lowcountry Alliance* adding members as necessary; assign pre-launch activities to each member
- Initiate active private sector stakeholder participation in and support of the Plan and the Alliance
- As a group, review the Implementation Plan and assign realistic deadlines for each activity
- Assign benchmarking metrics to recommendations to measure performance
- Commit to a new brand identity, logo and marketing theme for the Lowcountry
- Develop design criteria for all future marketing activities (logo, colors, font, images)
- Set a date and identify participants for the first marketing trip
- Examine all funding resources available for economic development
- Draft an economic development budget for new regional economic development initiatives
- Begin fundraising for the new economic development initiative
- Organize and host a region-wide economic development event to unveil the economic development initiative
- Establish sales teams for the Lowcountry
- Implement Cooperative Initiatives between Counties to Pursue Regional Economic Diversification Initiatives
- Appoint an Individual to be the Key Person for Lowcountry's Economic Diversification Efforts
- Adopt a Four-Prong Transportation Focus to Pursue Economic Development
- Develop a communications plan to implement the economic diversification plan
- Move forward with the Highway 17 Resolution – Highway 64 Option

See *Appendix U* – Action Plan for additional implementation details.

2.4 Economic Development Event

The region's fiscal year of 2005-2006 should be the official launch year for Lowcountry's new economic development initiative. To announce the initiative and showcase activities already underway, the *Forward Lowcountry Alliance* should organize an economic development event that occurs six months following the completion of the plan. The event should be open to the entire Lowcountry community. Speakers at the event should include top leaders from the four counties including the business community, education and the public sector.

During the event, community leaders should:

- Announce the formation of the *Forward Lowcountry Alliance*
- Describe the goals, recommendations and action plan for future economic development activities
- Inform the community about the region's target industries
- Unveil the Lowcountry's new brand image, logo and marketing theme
- Announce the date of the first Lowcountry marketing trip to promote the region

The objective of the event is to build enthusiasm for a new economic direction for the Lowcountry region. It is an effective way to spread the region's economic development message and encourage the entire community to "speak in one (positive) voice" about the region's assets.

3. RECOMMENDATIONS

This implementation plan is based around three broad strategies, all aimed at cultivating sustained economic growth for the region. The first area includes recommendations supporting a marketing initiative targeted at the specific industries outlined in this report. Strategy two includes recommendations designed to better prepare the Lowcountry's workforce for meeting the demands of these target industries. The final strategy offers recommendations related to improving sites, infrastructure, transportation, logistics and public spaces. All three strategies are driven by two economic development goals: (1) generate sustainable economic growth with jobs paying at least the average weekly state wage rate and (2) prosperity for the citizens of Lowcountry.

The Implementation Plan is structured in the following way: the first section contains summary tables of recommendations organized by short-term, mid-term, and long-term timelines. These issues are covered in detail in Sections A, B, C and D of this plan.

The project's *Forward Lowcountry Alliance* will be charged with assigning short-term responsibility to specific individuals and organizations in the four-county region. Mid-term and long-term activities should be coordinated by the Alliance and LCOG support staff.

3.1 Summary of Short-term Recommendations

The following tables highlight recommendations contained in this plan that should be accomplished during a short-term horizon starting seven months after plan completion. See *Appendix U – Action Plan* for additional implementation details.

Short-Term Actions: Marketing

Months 7-18

- Build a Lowcountry Economic Development Website
- Attend Conferences and Trade Shows in the Target Industry Clusters
- Explore the Opportunity of Attracting a Film Studio to the Region
- Enhance Coordination with State Agencies in Contact with New Economic Development Prospects
- Continue to Expand Communication with County Departments and Emphasize the Importance of their Work in Achieving the Lowcountry's Economic Diversification Goals
- Develop Advocates for Economic Development in the Lowcountry Region
- Establish Formal Roles for Advocates
- Host a Summit of Banks to Discuss Community Development
- Expand Information Packets Available for Business Prospects
- Create a Resources Director of Economic Development Organizations Complete with Website Links to Aid Regional Economic Diversification Efforts
- Define where Final Negotiating Authority Lies, and Be Clear with Prospects
- Create a Single Depository of Factual, Pertinent and Up-to-Date Information
- Promote a New Business Attraction Brand/Profile
- Ensure the Region Remains Freight-Transportation Friendly

Short-Term Actions: Workforce/Education

Months 7-18

- Focus on the Quality, Not Just the Quantity, of Jobs
- Organize the Lowcountry's Business Recruitment Program around Target Clusters
- Assist in Lobbying Efforts for Expanded Worker Training Funds and Greater Communication Between Area Businesses and Academic Institutions
- Communicate Regularly with Stakeholders and the Public about Efforts of Each County Economic Development Department
- Encourage New Business Start Ups through Potential Industry Cluster Synergy
- Ensure Funding for Workforce Development Training and Program Innovation Continues to Grow at All Educational Levels
- Enhance a Reputation for Providing a "Good Customer Service" Focus in Order to Foster the Best Business Climate Possible
- Encourage Sector Networking through the Chambers of Commerce

Short-Term Actions: Land Use & Transportation/Logistics

Months 7-18

- Create an Electronic Database of Available Sites to Promote New Economic Development Projects
- Utilize Existing Rail Service to Further Economic Diversification and Attract Additional Companies that Can Benefit from the Rail Service
- Promote the Lowcountry's Proximity to Several Airports
- Enhance the Lowcountry's Technology Capacity
- Expand Fiber Optic and DSL Capabilities Throughout the Lowcountry, Particularly along I-95
- Implement the Regional Transportation Plan

Additional actions including monitoring progress and making any necessary changes to the short-term plan as needed.

3.2 Summary of Mid-term Recommendations

The following tables highlight recommendations contained in this report that should be accomplished during a mid-term horizon. See *Appendix U – Action Plan* for additional implementation details.

Mid-Term Actions: Marketing

Months 19-36

- Complete a Due Diligence Analysis before Offering Incentives
- Promote Distribution Centers in the Region
- Contact and Market the Region to Target Candidates
- Maintain and Implement Incentives and Policies Necessary to Attract New Businesses
- Market the I-95 Diversification Zones to Identified Target Industries
- Create a Business Ombudsman Program
- Recognize the Contributions of Advocates
- Make Incentives Contingent on Higher Wages, and Establish "Clawback" Policies
- Promote Incentives to Attract Film Production Studios to the Lowcountry
- Establish a Formal System to Track Marketing Impacts
- Deliver Marketing Ideas to More Newspapers and Magazines

Mid-Term Actions: Workforce/Education

Months 19-36

- Hold a Series of Focus Groups with Existing Businesses to Ascertain Key Issues and Determine Growth Potential Obstacles
- Conduct Periodic Reviews of the Lowcountry's Overall Business Climate Relative to Surrounding Jurisdictions
- Establish a "Business Retention and Growth Program"
- Promote/Provide Recognition of Local Entrepreneur Success
- Establish a Leadership Lowcountry Group for New Young Business Leaders
- Encourage and Develop the Business Expertise of Experienced Lowcountry Residents to Pass On to Future Successful Enterprises
- Establish a Business Visitation Program
- Offer Financial Incentives to Local College Students in Career Training Programs
- Explore Potential State Programs for Company Training
- Expand and Develop Incumbent Worker Training Programs
- Create Regional Skills Alliances
- Organize a "Learning Store"
- Promote Workforce Availability Measures
- Encourage Lower Income Entrepreneurs to Start Small Businesses in Identified Clusters through Micro-Enterprise Programs

Mid-Term Actions: Land Use & Transportation/Logistics

Months 19-36

- Expand Water and Sewer Capacity Along I-95 Where Necessary
- Update the Tri-Command Reuse Study if BRAC Actions Occur in the Future
- Develop a Lowcountry Handbook Defining the County Permit Process Step-by-Step
- Continue with the Application Process for Foreign Trade Zones
- Establish a Logistics Institute

Additional actions including monitoring progress and making any necessary changes to the mid-term plan as needed.

3.3 Summary of Long-term Recommendations

The following tables highlight recommendations contained in this plan that should be accomplished during a long-term horizon and ongoing economic development activities.

It is recommended that the Lowcountry update this economic development strategy in early 2009, and continue to update it every 3-4 years.

Long-Term Actions: Marketing

Years 4-ongoing

- Adopt Policy Statements to Guide Actions When Incentives are Requested
- Develop a Grant Program to Subsidize Economic Diversification That Meets Criteria Established by the *Forward Lowcountry Alliance*
- Tap and Continue Use, of Eligible State Tax Incentive and Grant Programs
- Perform Ongoing Benchmarking of Incentives

Long-Term Actions: Workforce/Education

Years 4 - ongoing

- Encourage Development of Small Business Purchasing Pools
- Establish Special Utility Rates for Uses Generating New Desirable Jobs in the Lowcountry Region
- Ensure Local Banks Fully Participate in U.S. Small Business Administration (SBA) Programs
- Encourage More Banks to Participate in Other Community Development Loan Programs to Aid the Expansion of Existing Business

Long-Term Actions: Land Use & Transportation/Logistics

Years 4 – ongoing

- Created “One Stop” Licensing and Permitting for New Business
- Establish Tax Allocation Districts (TAD’s) Along I-95
- Encourage Lowcountry Jurisdictions to Examine the Merits of a Build-to-Suit Program

4. SPECIAL ISSUES

Based on our research and experience in the Lowcountry, we have identified two marketing issues in the region:

- Issue One – The Lowcountry lacks a single organization dedicated to regional economic development
- Issue Two – The Lowcountry has no targeted economic development marketing strategy for the four-county region

While this plan addresses 76 recommendations, these two marketing issues have been selected to serve as examples of how the *Forward Lowcountry Alliance* could formulate a more-detailed approach to implementing a recommended strategy. The following sections provide examples of the types of objectives, recommendations and actions the *Alliance* could “flush out” and use to address each of the plan’s recommendations:

4.1 Marketing Issue One:

LOWCOUNTRY LACKS A SINGLE ORGANIZATION DEDICATED TO REGIONAL ECONOMIC DEVELOPMENT

Although several county and local organizations have been charged with various elements of economic development, no single body is responsible for overseeing the Lowcountry region's activities. A region benefits when economic development functions are led by a single organization. They provide prospects a single point of contact for information about the four counties.

Objective:

A single organization is responsible for economic development in the region

Recommendation:

Create the *Forward Lowcountry Alliance* or similar single organization dedicated to coordinating the region's economic development efforts.

Actions:

- Develop a "sales presentation" to convince community leaders that a single economic development organization is essential to future sustained growth in the region.
- Raise funds for the organization from the public sector, such as LCOG, Beaufort County Government, Colleton County Government, Hampton County Government, Jasper County Government, local municipalities, and the Chambers of Commerce. Ask local corporations and businesses to contribute. Hire a fund raising consultant if necessary.
- Assign a governing board for the economic development organization. The governing board should include the chairpersons from the following organizations: the four Chambers of Commerce, municipal representatives, the LCOG, the four County Boards of Commissioners, and multiple representatives from the business community. The governing board may also include representatives from the state and other area regional economic development agencies.
- Alternate the Chairperson of the governing board on an annual basis. Alternate between representatives from the private and public sectors.
- Charge the governing board with prioritizing and assigning the recommendations in this implementation strategy. The board should be a one-stop-shop for economic development decision-making.

- Each organization represented on the board should assign a staff person or liaison to oversee the implementation of economic development activities.
- Announce the decision to create the organization at an economic development event.

4.2 Marketing Issue Two:

LOWCOUNTRY HAS NO TARGETED ECONOMIC DEVELOPMENT MARKETING STRATEGY FOR THE FOUR-COUNTY REGION.

The Lowcountry will be more successful at economic development if awareness of the region across the U.S. and abroad increases. The region's economy will grow stronger with the recruitment and entrepreneurship of a diversified group of companies. The name "Lowcountry" is not well recognized outside of the southeastern portion of the United States. A marketing campaign, focused on building awareness of the region and its assets, will be necessary to attract the attention of targeted businesses.

Economic development efforts are more successful when they are targeted at specific industries. By examining the region's strengths and future industries trends, one can identify five industries on which a region should focus economic development. A focused initiative is more likely to yield results, has higher a higher return on investment, and ensures sustainable long-term growth.

Objective 1:

Five target industries are identified as the audience for the Lowcountry's economic development marketing (see *Appendix U* for more details).

Recommendation:

The Lowcountry should target its economic development activities on recruiting, expanding, and retaining businesses in the following industries:

- Logistics/Distribution centers (emerging industry)
- Health Care/Medical
- Construction
- Wholesale Trade
- Manufacturing

Actions:

- Contact all identified candidate companies in the target industries.
- Maintain and update the identified candidate companies of target industries list to include base marketing and business development activities.
- Educate the Lowcountry's economic development team on each target industry.

- Request local business people from the industries to offer industry briefings.
 - Assign a member of the economic development team to track and distribute industry news.
 - Maintain a print or online file of news articles.
- Customize marketing materials to each target industry.

Objective 2:

An internal marketing effort is launched to boost local support for an economic development initiative

Recommendation 1:

Identify key organizations and individuals within the four counties to promote the region and support the economic development initiative.

Actions:

- Identify five-ten “industry champions” – local business leaders – to participate in marketing efforts and promote the region to their peers.
- Identify “media champions” – local reporters, editors, and publishers – to cover economic development activities. Ask local media to assist in educating the community about its target industries.
- Identify and educate the region’s most quoted people on the mission and vision of the new economic development initiative. Invite these individuals to be “ambassadors” for the region.

Recommendation 2:

Establish a standard prospect handling protocol.

Actions:

- Identify a team of community leaders who will be consistently involved in meetings with prospects. This team should include representatives from education, utilities, permitting, taxation, land owners and developers, target industries, workforce development.
- Develop one- and two-day prospect agendas, including meetings, hotels, restaurants, and transportation. This will make the region better prepared for last-minute prospect visits.

Recommendation 3:

Organize an economic development event six months following the completion of this plan. Make the event open to the entire community. The economic development governing board should organize this event. Event planning should begin at least three months prior to the event.

Actions:

- Announce the community's commitment to economic development.
- Inform the community about the Lowcountry's target industries. Invite industry champions from each target industry to announce their support for the initiative.
- Unveil the Lowcountry's new brand image, logo, and marketing theme. If the marketing website is online, announce the website address and walk attendees through the website's features.
- Announce the date of a Lowcountry marketing trip to promote the region.

Recommendation 4:

Ensure internal marketing is a success prior to launching an external marketing campaign.

Actions:

- Create a checklist indicating when internal marketing has been successfully launched. This checklist should include items such as:
 - Business and community leaders have committed to a single marketing message
 - Lowcountry has a single economic development website
 - The region has a "one-stop-shop" for economic development
 - Target industry champions are identified and committed to carrying the Lowcountry marketing message
 - A standard prospect handling protocol is established
 - Local media champions are identified and committed to disseminating information about economic development throughout the community

The economic development governing board will be responsible for creating this list. The majority of actions on this checklist, such as the ones listed above, will be the responsibility of the governing board prior to the economic development event. More detail about each action listed above is provided within individual sections of this report.

Recommendation 5:

Commit to a single marketing message.

Actions:

- Agree to a single brand identity, tag line, and marketing message that will represent the region in all future economic development.
- Involve local designers to develop/reproduce a logo and graphic images that will be consistently used in print and online collateral.
- Prior to the economic development event, present the economic development plan's findings at public gatherings such as rotary club meetings, chamber events, university/college forums, or neighborhood association meetings. This is designed to increase community understanding of the new economic development initiative and buy-in to the region's marketing message.

Recommendation 6:

Create a single economic development website that serves as the primary source of information about the region.

Actions:

- Invite advertising agencies and creative firms to design the website. This could come in the form of in-kind contribution from a local firm for the *Forward Lowcountry Alliance* project.
- On the website, include business and County information for the region. Include elements such as a Lowcountry skills alliance, press center, economic and demographic statistics, company database, and pages dedicated to each target industry.

Objective 3:

An external marketing initiative is launched following successful internal marketing activities

Recommendation 1:

Promote the Lowcountry economic development website as the single source of information about the region.

Actions:

- Include the website address on all collateral and print materials, including business cards, stationary, emails, presentations, and brochures.

- Ask local companies to include the address on their own websites and marketing materials.
- Include the website address on all County websites

Recommendation 2:

Pursue an aggressive public relations campaign.

Actions:

- Engage a public relations firm to generate positive publicity about the Lowcountry. If budget is limited, can hire a reputable public relations professional.
- Include a press release distribution aspect to the marketing website. Ask local businesses to include the website on its press distribution list.
- Ask businesses to include a standard one-sentence description of the Lowcountry in all press releases (i.e., “Company XYZ is located in the Lowcountry, South Carolina—a prime location for (target industry) companies and a great place to raise a family.”)

Recommendation 3:

Attend, sponsor and host target industry events.

Actions:

- Identify five nationwide industry events to attend each year. Select 1-2 at which the Lowcountry consistently sponsors. Ask that local business people also attending the event help network the economic development team with industry decision makers attending the event.
- At least one economic development representative should attend all major target industry events occurring in South Carolina and the southeastern U.S.

Recommendation 4:

Become a member of major target industry trade associations.

Actions:

- Publicize the Lowcountry in trade association newsletters.
- Market to members of target industry trade associations.

Recommendation 5:

Organize and attend marketing missions to top target industry regions.

Actions:

- Identify a team of five-ten volunteers to conduct marketing missions. This team should include economic development representatives, businesspeople, and educators from all four counties.
- Develop a schedule of marketing missions. Organize trips every six months. The first trip should occur following the kick-off economic development event, and involve the development community marketing the region's top real estate sites.
- Future marketing missions should include one-on-one meetings with industry executives and a reception for the local business community. Consider hiring a business development firm to assist in organizing meetings and the reception.

Recommendation 6:

Use marketing and economic development metrics to track the success of the initiative.

Actions:

- Agree on a set of metrics that are calculated every six months.
- Publish a *Forward Lowcountry Alliance* annual report that contains information about the community's success. Distribute this publication throughout the community and to target industry companies.

